



USM

UNIVERSITI SAINS MALAYSIA



INTELLECTUAL PROPERTY POLICY

UNIVERSITI SAINS MALAYSIA

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INTRODUCTION

THIS INTELLECTUAL PROPERTY POLICY (hereinafter referred to as the “ IP Policy of USM”) shall be applicable to all Employee, Academician, Postdoctoral Fellow, Trainee of the Academic Staff Training Scheme, Visitor and Student of Universiti Sains Malaysia (hereinafter referred to as “University”) as hereinafter defined and or stated in the University’s Constitution, statute, rules and regulations. The IP Policy of USM shall also be applicable to those who have beneficial, legal or contractual binding relationship with the University.



1.0

POLICY STATEMENT

The IP Policy of USM sets out the University’s policies in relation to Intellectual Property as hereinafter defined in Section 2.0, rights and assets arising from research, innovation, invention and creative output as well as the management, creation, protection, commercialization, exploitation and expansion of such rights.

1.1 Preamble

- 1.1.1 The University aims to create an environment in which Intellectual Property activities such as learning, teaching, innovating, scholarship, commercialization, research and development flourish. The University adheres to the principle that knowledge and ideas should be made available for the benefit of the entire community. Where this principle conflicts with commercial considerations, the University will seek to resolve the conflict to ensure publication and intellectual dissemination shall prevail without undue delay, having regard to the wishes of the Originator as hereinafter defined in Section 2.0.
- 1.1.2 A natural consequence of the University’s endeavours in the IP Policy of USM is the creation, development, protection, exploitation and expansion of IP created and innovated by all those persons to whom the IP Policy of USM shall apply. The University recognizes and acknowledges that the Originators are entitled to an equitable share of any financial returns from such commercialization.

- 1.1.3 This IP Policy of USM aims to facilitate, where appropriate, the management, creation, protection, commercialization, exploitation and expansion of IP created and innovated by all those persons to whom the IP Policy of USM shall apply. The University recognizes and acknowledges that the Originators are entitled to an equitable share of any financial returns from such commercialization.
- 1.1.4 IP protection may be sought for non-commercial reasons and in such an event; it is the policy of the University to reserve the absolute right to seek IP protection.
- 1.1.5 This IP Policy of USM shall define the ownership of IP, sharing of IP rights accrued to the Originators, commercialization rights associated with the technology and also detail the procedures which govern the distribution of the technology in its tangible form.

1.2 Objectives

The University's objectives with respect to the IP is to establish a framework of research, innovation, invention, creative works and technology transfer as well as licensing and among alia are to :

- a) Promote the fundamental objective and purpose of the University in teaching, research, innovation and furthering knowledge for its own sake;
- b) Protect the University's integrity, sustainability and interest while fostering free and creative expression, innovation and exchange of ideas and knowledge;
- c) Foster corporate, entrepreneur and business atmosphere within the University;
- d) Provide incentives to those persons to whom the IP Policy of USM shall apply in developing and applying intellectual activity in the fields of industry, science, commerce, literature and arts;
- e) Provide those persons to whom the IP Policy of USM shall apply with fair and reasonable recognition, award and remuneration;
- f) Encourage, stimulate and promote University growth, progress and success through ventures, technology transfer and commercialization with private and public sectors;
- g) Obtain appropriate return for facilities , resources and services by the University outside the mainstream activities of teaching and research activities;
- h) Create a secure environment where the original work can be protected;
- i) Provide a framework to those persons to whom the IP Policy of USM shall apply, of their rights, responsibilities and opportunities in relation to the IP;

- j) Generate a better understanding of IP issues in general;
- k) Create the climate for innovation, invention and creative work;
- l) Create a better understanding of the various rights which the law provides for the protection of innovative effort and stimulate proper IP protection;
- m) Allow for various forms of commercial exploitation of IP created by those persons to whom the IP Policy of USM shall apply;
- n) Promote inventiveness and entrepreneurship in the University; and
- o) Satisfy its objectives and aims as a Research and APEX University as well as achieving its goals towards the nation building.



2.0

DEFINITION

For the purpose of this IP Policy of USM, the following words and expressions, unless the context otherwise requires, shall have the following meanings respectively ascribed to them:

“Academician” means a person appointed to be a teacher or researcher under the University’s Constitution, and includes a professor, associate professor, research fellow, fellow, assistant professor, reader, senior lecturer, lecturer, assistant lecturer, language teacher and tutor.

“Arbitrator” means a person registered with the Arbitration Committee under the Malaysian Arbitration Act 2005 appointed to settle legal dispute.

“Constitution” means the constitution of Universiti Sains Malaysia and shall include any amendment therein.

“Employee” means any person employed by the University under the University’s Constitution and any Statute thereof.

“IP” means Intellectual Property and shall includes any proprietary right that arises under, or could be obtained as follows:

- i. Patents granted under the Malaysian Patents Act 1983;
- ii. Information communicated in a way to cause a duty of confidentiality;
- iii. Information that is subject to an employee’s duty of fidelity to the employer;

- iv. Copyright vesting by virtue of the Copyright Act 1987 in literary (including computer programs), dramatic musical and artistic works, films, sound recordings, broadcasts and published editions;
- v. Trade marks and service marks registered under the Trade Marks Act 1976;
- vi. Unregistered trade marks used or intended for use in businesses;
- vii. Industrial Designs registered under the Industrial Designs Act 1996;
- viii. Layout-designs of integrated circuit registered under the Layout-Designs of Integrated Circuits Act 2000;
- ix. Geographical indication registered under the Geographical Indications Act 2000;
- x. Plant varieties as provided for under the protection of Plant Varieties Act 2004;
- xi. Trade secrets; and
- xii. Other rights resulting from intellectual activity in the industrial, commercial, scientific, literary and artistic fields.

“Intellectual Property Management Committee” means a committee responsible for general supervision, management and administration of the IP Policy of USM. The Intellectual Property Management Committee may establish the IP evaluation panel responsible for advising the University in the IP protection, providing technical inputs, contract negotiations, management, patent and trademark’s filing and infringement, passing off of trademarks and copyright; investigating and assisting in internal and external IP dispute and settlement, selecting the University’s technologies and products for commercialization and providing advisory on all University’s IP legal matters, maintenance and policing.

“Mediator” means a qualified person under Malaysian Law who mediates to produce an agreement or reconciliation between two disputing parties.

“Originator” means a person and/or a team of persons who actually contribute(s) intellectually to an IP and shall include to author, creator, designer or inventor of an IP.

“Post-doctoral Fellow” means a person under contract for service with the University to perform such research functions as may be prescribed by the University’s Constitution.

“Resources” means the University Administered Fund, facilities, specimen materials, equipment, laboratory spaces and its ancillaries, equipment and shall also includes the University’s teaching Employee and non-teaching Employee as well as Students.

“Student” means a student defined in accordance to the University’s Constitution.

“Tangible Research Property” refers to those research results which are in a tangible form as distinct from intangible IP. Examples of tangible property include integrated circuit chips, biological organisms, materials from biodiversity and products derived there from, engineering prototypes, engineering drawings, and other property which can be physically distributed.

“Trainee of the Academic Staff Training Scheme” means a person under contract for service with the University to undertake graduate studies for future service as an Academician of the University in accordance with the contract above mentioned.

“University” means the Universiti Sains Malaysia.

“University Administered Fund” means fund(s) obtained from the University or fund(s) obtained from a sponsor, government or government related entity and/or industry through the University.

“Visitor” means any person, other than an Employee, Trainee of the Academic Staff Training Scheme, Post-doctoral Fellow or Student, officially invited by the University for such academic or research purposes and duration as may be agreed upon by the University.



3.0

INTELLECTUAL PROPERTY PROTECTION

3.1 Patents

3.1.1 The University will seek patent protection for inventions which are commercially attractive, viable and intellectually meritorious and/or to comply with the terms of sponsored research agreement.

3.1.2 Notice of “Patent Pending” or “Granted Patent No.” may be affixed to an invention patented by the University.

3.2 Copyright

3.2.1 Copyright is the protection granted under the Copyright Act 1987 and is conferred automatically without any need for registration or other formalities provided the work is original and is written, recorded or reduced to some material form.

3.2.2 Notice of copyright must be affixed to the copyrightable material.

3.3 Trade Marks and Service Marks

3.3.1 A trademark or a service may be used to protect those names and symbols associated with the University's offices, activities, events, products and technology developments.

3.3.2 Prior to registration for trademark protection, the symbol "TM" for a trademark or "SM" for a service mark will give an adequate notice of a claim of ownership. The symbol ® or R.T.M. for a trademark may only be used after registration has taken place.

3.4 Industrial Designs

3.4.1 The University shall have absolute discretion to seek industrial design protection for new designs either in two or more dimensions wherever appropriate, especially if the design is commercially attractive.

3.4.2 To be registered under the Industrial Designs Act 1996, a design must be new and not been made available or disclosed to any public anywhere in Malaysia before the filing date of the industrial design application.

3.5 Layout-designs or Integrated

3.5.1 The University will seek protection for any layout-designs and integrated circuits under the Layout-Designs of Integrated Circuits Act 2000. The Act protects all independently created layout-designs even if they are identical.

3.5.2 Protection is not dependant on registration and is available for a period of ten (10) years from the date the layout-design is first commercially exploited in Malaysia or elsewhere.

3.6 Geographical Indications

3.6.1 The University will seek protection of geographical indications regardless whether or not the geographical indication is registered elsewhere and which can be used on natural or agricultural product or any product or handicraft or industry.

3.7 Plant Varieties

3.7.1 The University will seek protection for any new varieties of plants which satisfy the sets of criteria as contained in the Plant Varieties Act 2004.

3.8 Trade Secret

- 3.8.1 The University adheres to the principles that trade secrets must be protected. In order to maintain protection while a trade secret is in use, it is the policy of the University to bind any third party having access to the secret by contractual agreement.

3.9 Tangible Research Property

- 3.9.1 Tangible Research Property is frequently patented and/or automatically copyrighted where appropriate and then licensed for commercial purposes.
- 3.9.2 Tangible Research Property may often have IP rights associated with it and which may be IP protected. However, tangible property may be distributed for research and non-commercial purposes, without securing IP protection by using some form of contractual agreement.
- 3.9.3 Where Tangible Research Property are developed in the course of research projects which are subject to the terms and conditions of sponsored research or other agreements, control over its development, storage, distribution and use is the responsibility of the project leader or the Originator. The responsibility for control includes determining if and when distribution of Tangible Research Property is to be made beyond the laboratory for scientific use by others in accordance with the terms of this IP Policy of USM.
- 3.9.4 When distributing Tangible Research Property for research purposes outside the laboratory, the expenses for handling, transportation and other costs may be recovered from the recipient.
- 3.9.5 If there are possibility of risks associated with the transport, storage, handling and use of tangible property, there must be contractual disclaimers of liabilities and indemnities to safeguard the University's interests.
- 3.9.6 Each item of Tangible Research Property should have an unambiguous identification code and name sufficient to distinguish it.

3.10. Confidential Information

- 3.10.1 Confidential Information is information of a confidential nature which has not been made public. It covers all information such as business secret, personal secret, literary, scientific or artistic secrets, and public and government secrets.
- 3.10.2 Where such information is imparted or disclosed in confidence, there is an obligation on the recipient not to reveal or use the information. Such obligation arises regardless of whether or not the disclosure was made pursuant to a non-disclosure or confidentiality agreement.



OWNERSHIP OF IP

- 4.1 The University claims full ownership and worldwide right, title and interest to or in all IP in all works, inventions, designs and other subject matter as follows:
- 4.1.1 Created by the Academician, Employee, Trainee of the Academic Staff Training Scheme and Post-doctoral Fellow of the University:
- In the course of and as a result of their employment or contract with the University, or
 - at the expressed request or direction of the University, or
 - Pursuant to any agreement with a third party to which the University is a party.
- 4.1.2 Created and developed, generated or otherwise brought into existence by Academician, Employee, Trainee of the Academic Staff Training Scheme and Post-doctoral Fellow of the University with the use or the support of any facilities, material, funds or other resources provided or obtained by or through the University; or
- 4.1.3 Commissioned by or on behalf of the University for any purpose whatsoever.

- 4.2 Despite any contrary provision in this IP Policy of USM, all contracts and arrangements existing at the same time of the adoption of this IP Policy of USM which are between the University and governments, corporations and other external organizations, and which relate to IP in which the University has an interest shall remain in full force and effect, including those where the ownership of IP is vested in a third party.
- 4.3 The University reserves the right to decide in which countries it will seek IP protection.
- 4.4 The University shall seek to protect the rights of the Originator by :
- 4.4.1 offering a “fair share” in the commercial exploitation of the IP as set out in Section 8 hereof;
 - 4.4.2 due to acknowledgement; and
 - 4.4.3 offering an input in the development of the IP.
- 4.5 Subject to the decision of Senate on the thesis ownership, the University shall have full ownership of all right, title, interest to or in any IP generated or created by Students where :
- 4.5.1 Generation of the IP has required use or support of Academician, Employee, Trainee of the Academic Staff Training Scheme and Post-doctoral Fellow of the University, facilities, materials, funds or other resources provided or obtained by or through the University;
 - 4.5.2 Generation of the IP has resulted from the use of pre-existing IP owned by the University;
 - 4.5.3 The IP belongs to a set of IP generated by a team which the Student is a member; or
 - 4.5.4 Generation of the IP in the course of and as a result of contract or employment with the University.
- 4.6 The University may at its own discretion accord certain IP rights to the Students arising from the said IP.
- 4.7 The University shall claim ownership of all right, title or interest to or in any IP created by Visitors at the University unless provided otherwise in a written agreement.
- 4.8 In the case of wholly owned subsidiaries/companies of the University the provisions of this IP Policy of USM shall apply without limitation.

- 4.9 Where the University is the owner of the IP created by an Originator, the University shall assign its rights to the Originator in the event the Intellectual Property Management Committee decides that the University will not become involved in the commercialization of the IP.
- 4.10 For a project in collaboration with other agencies, ownership of the IP shall belong to the University unless the contrary is provided in the contract agreement.
- 4.11 The Intellectual Property Management Committee shall have the sole right to determine the disposition of the University IP, subject to any prior contractual obligations to external sponsors.



5.0

AGREEMENT WITH THIRD PARTIES

- 5.1 The University, at its absolute discretion, may enter into an agreement with another party that controls the ownership and exploitation of an IP. In negotiating such an agreement, the University shall, as far as practicable, ensure that the terms of the agreement are consistent with the principles set out in this IP Policy of USM.
- 5.2 In the case where the University is the owner of the IP, the University may also conclude an agreement with a third party to exploit the IP. In negotiating such an agreement, the University must, as far as practicable, though not necessarily bound, to ensure that the terms of the agreement are consistent with the principles set out in this IP Policy of USM.
- 5.3 The Academician, Employee, Trainee of the Academic Staff Training Scheme, Post-doctoral Fellow, Visitor and Student shall not, whether directly or indirectly, make available to any third party, who is not a member of the University, any University facilities, materials or other resources for the purpose of creating IP except with the prior written approval from the University.



6.0

PUBLICATION

In order to safeguard the University's proprietary interests, when an IP is an invention or a design in the opinion of the Originator, the Originator shall notify the Intellectual Property Management Committee in writing, to decide whether or not to exploit the relevant IP.



7.0

DISCLOSURE

- 7.1 The Originator, governed and ascribed under this IP Policy of USM is expected to apply reasonable judgement as to whether the outcome of the research, innovation and creative activities of the University has potential for commercialization and business marketing prospect. If such potential exists, the outcome and reasonable decisions should be considered for IP protection and exploitation, the Originator must endeavour to promptly disclosed to the Intellectual Property Management Committee all reasonable disclosures.
- 7.2 The disclosures and write up must be done through document(s) prepared by the Originator and the Originator shall provide the information and details of the Originator and the team, if any and whenever possible the invention details, circumstances leading to the invention and facts concerning subsequent activities such as commercialization potential, business analyses and/or model, possible in-house use of the technology and cost benefit analyses.
- 7.3 The University, wherever possible, will assists the Originator as to the matters mentioned in Section 7.2 above.



8.0

COMMERCIAL EXPLOITATION

- 8.1 In the event that the Originators of the IP take steps or seek to finalise with a third party for the commercial collaboration and exploitation of the IP, the matter must be notified in writing to the Intellectual Property Management Committee and/or its proxy. Failing to do this, the Intellectual Property Management Committee is empowered to use its discretionary power to render the contract derived from such negotiation null and void.
- 8.2 Once the Intellectual Property Management Committee or its proxy, is notified that the Originator is seeking to exploit the IP commercially, the University and/or the Intellectual Property Management Committee or its proxy shall then decide whether or not the University wishes to become involved in the process of the commercial exploitation.
- 8.3 In making a decision under Section 8.2, the Intellectual Property Management Committee or its proxy shall at its own discretion, consult in confidence with the Originators and any other relevant parties.
- 8.4 Notwithstanding the above, the Intellectual Property Management Committee or its proxy shall take into account :
 - a) The nature of the IP and the extent of the patent or other protection desirable;
 - b) Whether securing of the patent or other protection will assist in the development and subsequent commercial exploitation of an invention;
 - c) Whether it would be desirable for the University to maintain an interest in the quality and technical efficiency of production through the licensing and technology transfer of patents; and
 - d) The probable commercial returns to the University.
- 8.5 In the event that the Intellectual Property Management Committee or its proxy is advised or believes that the confidentiality of certain information must be maintained in order for the IP to be protected or successfully exploited, Intellectual Property Management Committee or its proxy shall :

- a) consult in confidence with the Originator and any other relevant parties and;
- b) determine a time when publication of the information may take place, taking into account the policy statements as set out in Section 1.1 above.



9.0

DISTRIBUTION AND DISBURSEMENT OF FINANCIAL RETURNS

- 9.1 It is the intention of the University to encourage and reward innovation and creative activity within the University through fair sharing of royalties and other incomes, among all entities either in form of one lump sum or periodic payment, from the commercial exploitation of the IP rights of the Originator.
- 9.2 Subject always to Section 13.0, the gross distribution and disbursement may be shared among the following entities in the ratio as follows :-
 - (a) 30 % - Originator
 - (b) 70 % - University
- 9.3 In a circumstance where two or more Originators developed an IP rights, the disbursement shall be according to the express written agreement among the Originators. Such agreement should clearly state in terms of percentages each Originator has contributed to the IP. This agreement should be transmitted as a written agreement signed by the Originators to the Intellectual Property Management Committee. Where the Originators fail to arrive at a consensus, the matter shall be decided by the Intellectual Property Management Committee. The decision of the Intellectual Property Management Committee shall be final and binding.
- 9.4 The Academician, Employee, Trainee of the Academic Staff Training Scheme, Post-doctoral Fellow and Students who leaves the University's employment/ studies while on probation/studies as well as the contract Academician, Employee, Trainee of the Academic Staff Training Scheme and Post-doctoral Fellow who are terminated or dismissed due to disciplinary action or for other reasons, shall not be entitled to any distribution and disbursement of financial returns as provided for under this IP Policy of USM.

The above proviso does not apply to an Academician or Employee who has retired from the University, who shall continue to receive such income on periodic payment, as the case may, as may be due and payable to him.



10.0

APPLICATION OF THE IP POLICY OF USM

- 10.1 It is the policy of the University that individuals through their employment and/or studies at the University or by participating in a sponsored research project, or as recipients of University Administered Funds, Resources and/or facilities, thereby accept the principles of the ownership of IP as stated under this IP Policy of USM.
- 10.2 The students and the Visitors shall, upon request by the University sign a Non-Disclosure/ Confidential Agreements as per the University's requirement. The Manager/Director/Dean of the University's Laboratory/ Department/ School concerned shall be responsible for ensuring that all the Students and Visitors comply with this requirement.
- 10.3 The Human Resource Department of the University shall, where applicable ensure that all the Academicians, Employee, Trainee of the Academic Staff Training Scheme, Post-doctoral Fellow and Visitors, on acceptance and confirmation of their designated posts, to sign the said Non-Disclosure/ Confidential Agreement prepared by the University.
- 10.4 The Academic Services Department shall ensure that all students sign the Non-Disclosure/ Confidential Agreement.
- 10.5 On termination of the employment/studies, the respective University staff and Student shall surrender all proprietary information, material and the Confidential Information to the University and shall be prohibited from using, disclosing and transferring the proprietary information and know how gained during their term of employment/studies to any third parties, without the written consent from the University.



11.0

ADMINISTRATION AND IMPLEMENTATION

- 11.1 The Vice-Chancellor is the custodian of this IP Policy of USM
- 11.2 The Vice-Chancellor shall appoint the Intellectual Property Management Committee to administer and implement the IP Policy of USM.
- 11.3 The Innovation Office of the University shall be the secretariat for the Intellectual Property Management Committee as identified in Section 11.2 above.



12.0

DISPUTE RESOLUTION

- 12.1 If a dispute arises as to the implementation of this IP Policy of USM, or as to any matter on which the implementation of this IP Policy of USM hinges, the Vice-Chancellor must appoint a Mediator who can assist the parties in resolving their dispute.
- 12.2 If such a dispute cannot be resolved through the assistance of a Mediator, the Vice-Chancellor shall appoint an Arbitrator to investigate and decide the matters.



13.0

WAIVER

Waiver of the provisions of this IP Policy of USM may be granted by the Vice-Chancellor on a case-by-case basis.



14.0

BREACH

Any breach of the provisions of this IP Policy of USM will result in appropriate action being taken by the University against the violator.



15.0

SAVING PROVISIONS

15.1 For the purpose of this section “replaced IP Policy of USM” means the Intellectual Property Policy at the Universiti Sains Malaysia which was approved vide [Min.834.1.1].

15.2 Validity of actions by the University

Any instrument , deed, title, document, bond, agreement and working arrangement executed by the University and the Intellectual Property Management Committee or its proxy shall, on the appointed date be deemed to have been made under this IP Policy of USM and continue to be in force and have effect.

15.3 Rights, etc. of University not affected

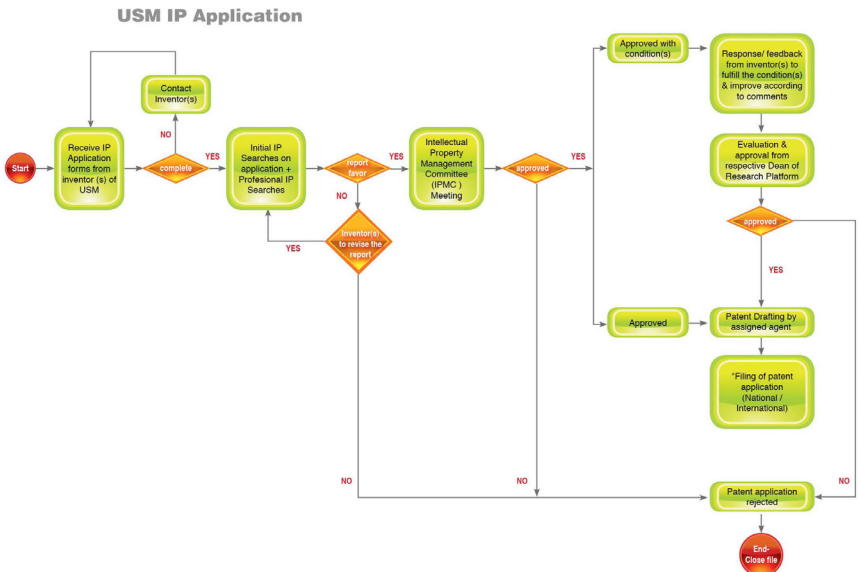
All rights, privileges, liabilities, duties and obligations of the University under the replaced IP Policy of USM shall, on the appointed date, devolve upon and be deemed to be the rights, privileges, liabilities, duties and obligations of the University under the IP Policy of USM.

15.4 All undertaking given by, and matters pending before the University and Intellectual Property Management Committee or its proxy under the replaced IP Policy of USM shall, on the appointed date, be undertaken by or continued before, as the case may be, by the University and Intellectual Property Management Committee or its proxy under this IP Policy of USM.

15.5 All existing liabilities incurred by or on behalf of or for the purposes of the University under the replaced IP Policy of USM shall, on the appointed date, be enforced against the University under this IP Policy of USM.

15.6 All rules, regulations, declaration, order, notices forms and circulars issued or made by the University shall remain in force, in so far as all the rules, regulations, declaration, order, notices, forms and circulars issued are consistent with, or until replaced or revoked by, the provisions of this IP Policy of USM.

16.0 USM IP APPLICATION PROCESS







<http://www.usm.my/>
<http://www.ico.usm.my/>