

INDIAN INSTITUTE OF TECHNOLOGY, HYDERABAD

INTELLECTUAL PROPERTY POLICY DOCUMENT

Reason for the Policy

The Policy is designed to assist Indian Institute of Technology (IITH) in fulfilling its mission and achieving its strategic goals.

Strategic Direction

The Policy supports the strategic goals of creating an outstanding student experience that promotes personal and intellectual development; attracting and retaining excellent students, faculty and staff; and strengthening research, scholarship as well as institute financial resources.

Procedures

The procedures associated with Policy implementation appear in full below.

Forms : Relevant Forms appear in the Appendices to the Policy.

Contact: Director is the IITH official responsible for administration and interpretation of the Policy.

I. Policy Provisions

1.1 Purpose

The objective is to frame a policy that accelerates growth of institute intellectual capital.

1.2 Statement of Mission

IITH educates talented men and women in engineering, science, management, and humanities in preparation for careers of professional practice, civic contribution and leadership, facilitated by active lifelong learning. This educational process is true to the nations' tryst to create, to discover, and to convey knowledge at the frontiers of academic inquiry for the betterment of society.

Knowledge is created and discovered in the scholarly activities of faculty and students ranging across educational methodology, professional practice and basic research. Knowledge is conveyed through scholarly publication and instruction.

1.3 Guiding Principles for Policy and Statement of IITH Interests

In furtherance of its mission, IITH community members develop inventions, discoveries, copyrightable material and new knowledge that constitute the intellectual property of IITH. And IITH seeks to promote application of that knowledge for the benefit of society, while protecting the interests of IITH, its faculty, students and staff.

The Intellectual Property Policy helps achieve these goals by providing the framework that governs the ownership, disposition, use and commercial development of IITH inventions, discoveries and relative endeavors.

- The primary obligation in conducting IITH research and scholarship is the pursuit of knowledge for the benefit of society.
- Since IITH research has substantial public support, it is incumbent upon IITH to seek assurance that patents resulting from its work be managed in a manner consistent with applicable law.
- In order to provide adequate recognition of, and an incentive for, intellectual achievements, inventors and authors will be provided with opportunities to share in the proceeds from their inventive and creative endeavors.
- The contribution of outside sponsors to the research endeavors of IITH is recognized by granting certain rights to sponsors, consistent with the principles outlined herein.
- After payment of the costs associated with intellectual property protection, licensing and related activities as specified in this Policy, revenue accruing to IITH from the commercialization of its intellectual property shall be shared between the IITH, inventors and authors on a fair and reasonable basis.
- IITH's share of that revenue shall be used to advance institutional research and scholarship endeavors.

II. Intellectual Property Ownership

A. IITH Ownership

1. Intellectual property of any kind created by faculty, students, staff, project staff, visitors and others, such as trainees from other institutes, participating in IITH programs or using IITH funds or facilities, are owned by IITH when either of the following applies:

a) The intellectual property was created with the significant use of funds or facilities administered by IITH.

b) The intellectual property was created (i) as a part of the normal professional duty or (ii) work for hire. Copy of agreement to be signed by faculty, researchers, and students assigning IP to institute is given as Appendix 'A'. Adherence to this Policy is considered a condition of, and in consideration of, employment, for all faculty, staff and students of IITH.

c) The intellectual property was created in the course of or pursuant to a sponsored/consultancy research agreement with IITH. In such cases, specific provisions related to IP made in contracts governing such activity will determine the ownership of IP.

d) The intellectual property was created as a part of academic research and training leading towards a degree or otherwise.

2. All copyrights, including copyrighted software will be owned by IITH when it is created as a part of any of the academic programs of IITH or created pursuant to a written agreement with IITH, providing for transfer of copyright or ownership to IITH.

More specifically:

a) IITH will be the owner of the copyright on all teaching materials created by IITH and non-IITH personnel from external agencies, institutions and industry under the continuing education and distance education programs of IITH. However, the authors will have the right to use the material for their teaching and research activities.

b) IITH will not claim ownership of copy right on books and scientific articles authored by IITH personnel. However, IITH will have the copyright if books and reports have been created using funds specifically provided for this purpose by IITH.

B. Inventor/Author Ownership

1. Inventors/Authors will own intellectual property when

a) None of the situation defined above for IITH-ownership of intellectual property applies.

b) It is created outside their assigned/ normal area of research/teaching, for example; popular novels, poems, musical compositions, or other works of artistic imagination, without the use of significant institute resources.

2. Students will own copyright on theses/dissertation created as a part of their academic programmes. However, the student must grant to IITH royalty-free permission to reproduce and distribute copies for teaching and research as well as for dissemination for teaching and research to other academic institutions.

It is the general policy of the IITH that IITH Students shall have ownership rights in Intellectual Property developed by them independently, except where it is developed as part of any project where the IITH has external obligations with respect to Student Intellectual Property. In such case Student Intellectual Property may assign to IITH.

Students (UG and PG) will be actively encouraged to participate in Idea competition, Innovation Challenge, Open Innovation, crowd sourcing etc. There will be no need for them to take any approval/ NOC to participate in these competitions. They need to take institute approval only post the event, if they are required to work further on their award winning idea.

“*Scholarly and Artistic Works*” shall be and remain the property of their Authors (“Individually -Owned Works”) unless such copyrighted works are (i) developed as part of a IITH project, program or activity that is the subject of an external IITH agreement; (ii) developed within the scope of employment by non-faculty IITH Employees; or (iii) developed as part of a IITH -Commissioned project or program. The Author grants IITH a non-exclusive, royalty -free license to use, reproduce and distribute for non -

instructional administrative purposes all Individually -Owned Works that are used for teaching at IITH. Faculty seeking exemption to deposit creative artistic work of their teaching material need written approval from the Director.

3. Ownership of software code, patentable subject matter and other intellectual property contained in the theses/reports are subject to conditions specified under IITH-ownership and Inventor/Author ownership.

C. *Third-Party Ownership*

1. Ownership of intellectual property resulting from:

a) Funds provided partially or fully by a third-party to IITH will be governed by specific provisions in the contract between the third-party and IITH. For government sponsored projects, the conditions of the granting authority would apply. Research contracts with private organizations will comply with model agreements placed at Appendix `B`.

b) Exchange programs between IITH and other institutions will be governed by specific provisions in the contract between the third-party and IITH.

c) In case no such specific contract exists, IPR will remain with IITH.

2. In all cases of IP produced at IITH, IITH shall retain a non-exclusive, free, irrevocable license to copy/use IP for teaching and research activities, consistent with confidentiality arrangements where ever entered by IITH.

3. In cases where an IP is created by IITH personnel, fully or as a part of the team, during deputation, official leave, or sabbatical, the concerned IITH personnel should officially communicate the IP to IITH. If the IP involves ideas/software developed, fully or in part, using significant institute resources, then the IP will also be owned by IITH fully or partially, as the case may be.

III. *Disclosures, Confidentiality and Assignment of Rights*

1. For sponsored and/or collaborative work the provisions of the contract pertaining to disclosure of IP are applied.

2. For all other IP produced at IITH, the inventors will be required to disclose their IP to the IPEC (Intellectual Property Evaluation Committee) at the earliest date, before publication, using an IPDF (Intellectual Property Disclosure Form). Copy of IPDF is placed as Appendix `C`. Publication before patenting is not desirable and Faculty, Researchers, Students need specific approval from Director for publishing before applying for IP protection.

3. It will be mandatory for students to submit an IPDF, countersigned by their supervisor(s), at the time of filing their B.Tech. report, M.Tech. and PhD theses.

4. The inventor shall assign the rights of the disclosed IP to IITH before leaving the institute and will agree to the terms and conditions for the sharing of any financial benefits received by the institute by commercialization of such IP.

5. Having made the disclosure, the inventors, both IITH and non-IITH personnel, shall maintain confidentiality of the IP during the period it is pending with IITH for the assessment of the possibility of commercialization and protection of IP, unless authorized in writing by IITH.

IV. Evaluation of Intellectual Property

1. Evaluation of Intellectual Property will be done by the IPEC (Intellectual Property Evaluation Committee). Director will be the Chairman and the Head of the organization within IITH responsible for commercialization, will be the member secretary. The Director will nominate at least three additional faculty members with expertise or familiarity/experience in areas related to the IP. Research Documentation appropriate to establish claims of innovative step need be followed. Guidelines on research documentation are placed as Appendix 'D'.

2. Evaluation of IP means:

a) Assigning ownership of IP.

b) Determining whether an IP is innovative and fit for filing in India and foreign countries as PCT application.

c) Determining whether the IP has a reasonable chance for commercialization.

3. After evaluation of IP, if IITH decides not to take the responsibility for the protection of the IP, then it will assign all the rights of the IP to the inventors.

4. Even in such cases, as in (3), IITH may take the responsibility of facilitating protection of the IP on case by case basis.

5. A decision on the annual renewal of IP rights and applying in other designated countries will be taken by the IPEC. If IITH decides not to renew the IP, fully or partially, then it will assign the rights of the IP, wherever relevant, to the "inventors", if desired by inventor.

V. Contracts and Agreements

All agreements related to IP, including, but not limited to the following categories, undertaken by any IITH personnel and students need to be approved by the institute.

1. Allegiance, Affirmation and Confidentiality Agreement.

2. Evaluation Agreement.

3. License Agreement
4. Technology Transfer (Commercialization) Agreement
5. Alternative Dispute Resolution Agreement
6. Classified Information Non-Disclosure (specific) Agreement

The Director or nominee will be the authorized signatory in all categories of agreements listed above. Model contract agreement for technology licensing is placed at Appendix 'E'.

VI. Commercialization

1. IITH shall market the IP and identify potential licensee(s) for the IP to which it (i) has ownership and (ii) for which rights have been assigned to it. The inventor would prepare Technology Transfer document as per guidelines given at Appendix 'F'. The inventor would also assist the Technology Transfer Office in preparing publicity material online and offline.
2. For the IP where exclusive rights have not already been assigned to a third party, the creators may also contact potential licensee(s) on their initiative maintaining confidentiality and taking all necessary care to ensure that the value of the IP is not affected.
3. The window of opportunity to license technology remains open only for a limited period. If IITH is not able to commercialize the IP in a reasonable time (6 months for software, 12 months for embedded products and 24 months for life science) then the inventor(s) may approach IITH for assignment of rights of the invention(s) to them.
4. To ensure close involvement of faculty and stage review of commercialization process the following procedure will be adopted:
 - For assessing commercial viability of IPR, the concerned faculty shall assume first responsibility for patenting before any responsibility is undertaken by the institute.
 - The commercialization efforts need to be periodically reviewed and based on market feedback, strengthening work/ supplementary activities may be planned.
 - The review, corrective measures and lessons learned shall also be recorded while taking decision to assign rights to inventor due to non-commercialization at institute end.
 - Where bundling of IP is essential, technology offers can always be withdrawn and reoffered as bundle of IPs for product technology.

VII. Revenue Sharing

1. The net earnings (revenue less direct IP filing & protection costs) from the commercialization of IP owned by IITH would be shared as follows:

The innovator would get 50-75% of revenue, the institute 15-40% and balance 10% would be used for the service account towards promotion and upgradation of the invention. Unused funds from the service account will be used for promotion of commercialization, IP protection and any other related activities.

For calculating the net earning ,i.e., the distributable amount, the following process will be adopted.

Case 1: When the cost of patent filing is significant (PCT application with national filing in minimum 3 countries other than India) and innovator is on the payroll of the institute at the time of revenue accrual

Fifty percent of the distributable amount may be released in the beginning of the revenue cycle and balance 25% may be released at the end of revenue cycle after full cost of direct IP filing & protection has been recovered by the institute.

Case 2: When the cost of patent filing is significant (PCT application with national filing in minimum 3 countries other than India) and innovator is not on the payroll of the institute at the time of revenue accrual

Often technology needs customization after licensing and inventor is required to support licensee for getting best of licensed technology. And when the inventor is not on the payroll of the institute during the revenue cycle, the institute might be required to enlist services of others in the institute or outside. Thus, in such cases the total payment to inventor is limited to 50% of the distributable amount. From out the balance, Institute gets 40% and 10% towards service account.

Case 3: When the cost of patent filing is limited (only Indian application) and innovator is on the payroll of the institute at the time of revenue accrual

Seventy Five percent may be released to inventor at the end of revenue cycle, after full cost of direct IP filing & protection has been recovered by the institute.

Case 4: When the cost of patent filing is limited (only Indian application) and innovator is not on the payroll of the institute at the time of revenue accrual.

Fifty percent may be released to inventor at the end of revenue cycle, after full cost of direct IP filing & protection has been recovered by the institute. From out the balance, Institute gets 40% and 10% towards service account.

In cases of multiple licenses, Director may work out apportionment based on above principle.

2. This sharing may be revised after 3 years taking into account actual cash flows. The creator(s) share would be declared annually and disbursement will be made to the creator(s), their legal heir/ successor/ assignee, whether or not the creators are associated with IITH at the time of disbursement.

3. Co-creators 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.

VIII. Infringements, Damages, Liability and Indemnity Insurance

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

IX. 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.

Under these circumstances, it must be ensured by the inventor(s) that their entrepreneurial activities do not have an adverse impact on inventor(s) teaching, research and any other institutional responsibilities. The inventor would comply with institute incubator policy and research spin-off policy.

X. Dispute Resolution

In case of any disputes between IITH and the inventors regarding the implementation of the IP policy, the aggrieved party may appeal to the Director of IITH. Efforts shall be made to address the concerns of the aggrieved party. The Director's decision in this regard would be final and binding.

XI. Jurisdiction

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

XII. Consulting and Outside Business Relationships

Faculty who engage in permitted outside professional services, including without limitation, consulting to private companies, are responsible for ensuring that those activities and any related contractual arrangements are consistent and do not conflict with all applicable IITH policies and applicable contractual provisions, including those relating to conflict of interest and commitment. All Covered Persons under this Policy have an obligation to inform all appropriate third parties, including companies with whom they have such a relationship, of the terms of this Policy with respect to ownership of Intellectual Property and other rights and responsibilities as expressed in this Policy.

Under no circumstances will the IITH be deemed to have waived any of its rights under this Policy unless specifically agreed in a writing signed by Director.

Nomenclature

IP: Intellectual property

IITH : Indian Institute of Technology, Hyderabad

IPEC : Intellectual Property Evaluation Committee

IPDF: Intellectual Property Disclosure Form

Glossary

- 1) "Director" means the Director of the Indian Institute of Technology, Hyderabad
- 2) "Dean, R&D" means the Dean of Research & Development of Indian Institute of Technology, Hyderabad.
- 3) "Author" means faculty, students, staff or visiting faculty who has/have written or created a creative work.
- 4) "Confidential Information" is information not in the public domain and declared confidential by parties as such in a MOU/Agreement that has been signed by the parties.
- 5) "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. Copyright protection is available for most literary, musical, dramatic, and other types of creative work, including software, teaching materials, multimedia works, proposals, and research reports. This Policy applies to those copyrightable works developed or otherwise authored by persons covered by this Policy. The term "copyrightable works" or "copyrights" applies to those works of authorship considered protectable under Indian Copyright Act, as it may be amended from time to time. By way of example, but not by way of limitation, "Copyrights" include but are not limited to, copyrightable books, whether fiction or non-fiction, manuscripts, poems, plays, choreography, photography, motion pictures, videos, audio recordings musical works, works of art or design, pedagogical works such as course materials, syllabi, lecture notes and the like, regardless of the tangible form of medium through which they are expressed.
- 6) "Creators" are persons who have produced any original work.
- 7) "Scholarly and Artistic Works" means copyrightable and copyrighted works that are in the nature of academic and scholarly works of authorship and works of visual art, including but not limited to photography, film, audio-visual works, sculpture, painting, choreography and the like. "Scholarly and Artistic Works" include by way of example:

i) scholarly articles and papers written for journal publication, presentations and scholarly papers prepared for seminars and conferences, pedagogical works, and teaching and curriculum materials (including classroom lectures, seminars and presentations reduced by or for the author to written or other recorded form); and

ii) paintings, drawings, musical compositions and performances, dramatic compositions and performance, poetry, fiction and other works of artistic expression authored by faculty, post-graduate students, postdoctoral fellows and postdoctoral associates; provided that, the definition shall not apply to the works of IITH Students authored pursuant to activities undertaken as Teaching Assistants. Distance Learning Materials that are Scholarly or Artistic Works as described in this paragraph will remain the property of their authors.

8) “Intellectual Contribution” means original technical or artistic contributions.

9) “Intellectual Property” includes but is not limited to copyrights and copyrightable materials, patented and patentable inventions, tangible research results, Designs, IC layouts, trademarks, service marks and trade secrets. The term “data” as used in this Policy is that recorded information in any form which is generated by individuals who are subject to this Policy, through use of IITH supported resources or the disposition of which is governed by the terms of grants, contracts, cooperative or other agreements to which the IITH is a signatory. “Tangible Research Property” as used in this Policy means products of research that include, but are not limited to, compositions, biological and chemical materials (including but not limited to cell lines, plasmids, DNA, RNA, and transgenic animals), illustrations and drawings, prototypes, devices, equipment and the like developed by persons covered under this policy. For purposes of this Policy, all of the above categories shall be considered “Intellectual Property”.

10) “Invention” includes but is not limited to any new and useful process, formula or machine conceived or first reduced to practice in whole or in part, defined within the purview of the Patent Act. Inventor(s) are person(s) who produce an invention. The term “invention” or “ inventions” as used in this Policy describes innovations or discoveries that are or may be patentable or otherwise protectable under Indian Patents Act , as may be amended from time to time, regardless of whether a patent application has been filed or issued.

11) “Inventor” referred to in the policy is the creator of “invention”.

12) “Licensing” is the practice of renting the intellectual property to a third party.

13) “Net Earnings” Earnings resulting from the licensing or commercialization of the IP reduced by the direct expenses incurred in obtaining and commercialization of the IP.

14) “Patent” means the exclusive right granted by law for making, using or selling an invention. For purposes of this Policy, the term “Patent” or “Patents” shall apply to the Inventions, as described in (9) for which a provisional, design or utility patent application or applications is or are filed with the Indian Patent Office, or a foreign patent office, or for which a patent has been issued. Patent(s) shall include divisionals, continuations, continuations -in-part and relevant international counter - parts of issued

patents or patent applications, and any reissues, reexaminations or extensions of issued Patents or their foreign counterparts.

15) “Royalty” is the payment made to an inventor/author or an institution usually for legal use of a patented invention or any Intellectual Property when licensed.

16) “Significant Use of IITH Resources” is any usage of IITH’s resources in the creation of the invention(s) , in excess of the routine use of office facilities, computers, library resources and resources available to the general public.

17) “Software” means anything executable in a computer. “Computer software” as the term is used in this Policy shall include, but not be limited to , copyrightable computer programs in source and object code form. A computer program is a set of statements or instructions to be used directly or indirectly in a computer in order to bring about a certain result. Computer software may also be patentable in some countries. Documentation in the nature of users’ guides, manuals and instructions developed to assist or facilitate use of computer software shall be managed as specifically indicated throughout this Policy.

18) “Teaching material” means any material that aids the process of teaching.

19) “Trade Mark/Service Mark” is a distinctive word, symbol or picture or a combination of these, which is used by a business entity to discriminate its products and services from those of other business entities. Trademarks and Service Marks as described under this Policy shall be interpreted in accordance with Indian Trademark Laws, as amended from time to time. The existence of a Trademark or Service mark does not change the definition or treatment of Patent(s) or Invention(s) associated with such a Trademark or Service mark.

20) “Trade Secret:” Usually some information such as know-how of commercial or strategic value that is not disclosed to all and is used in a restricted manner.

21) IC layout: This category of Intellectual Property is separately covered under IC layout Act of Indian government. Mask Works and topology of circuits are covered under this act.