

ARTICLE 27

INTELLECTUAL PROPERTY

27.01 The University is committed to certain guiding principles in fulfilling its public duty as an institution of research and higher learning. One such principle is the obligation to encourage the exploration, development and exchange of ideas in an environment dedicated to open inquiry and the highest degree of scholarship and research. Another is the protection and encouragement of Faculty in their research and the scholarly writing which arises from that research; and, at all times, the duty to operate in the public interest and consistent with the values of fairness, academic freedom and the highest standards of ethical conduct.

27.02 Definitions for the purposes of the interpretation and application of Article 27:

Author means the person who has written or created a Work.

Commercialization means the act of making a Work or Invention available for distribution and sale on the market.

Commissioned Work means any Work that has been so declared in a specific, written agreement between the Employer and the member. A copy of such agreements shall be given to the Association.

Copyright has the meaning assigned to it by the *Copyright Act*.

Copyright Act means the *Copyright Act* of Canada, R.S.C. 1985, c. C-42, as that Act may be amended from time to time, or any successor legislation.

Course or Instructional Materials means any Work prepared by a member for instructional purposes.

Declaration of Invention means the document set out in Appendix 9, signed by the member or members and third-party inventors, as the case may be, by which an Invention is disclosed to the Employer and the Association, subject to rules of confidentiality under Articles 7 and 27.17 as well as the undertakings contained in Appendix 9, and either Appendix 10A or 10B.

Independent Invention means any Invention developed in the course of private research or other activity unconnected with the member's University duties which has not involved the use of University-administered funds, facilities, staff or students and has not been supported by any grant or contract held by the member through the University.

Intellectual Property means any proprietary information that can be the subject of copyright or patent protection or any similar proprietary protection and which creates in the holder of the rights an interest in property.

Invention means any new and useful art, process, machine, manufacture or composition of matter, living organisms, any technical innovation or discovery, including those related to computer programming, or any new and useful improvement in any art, process, machine, manufacture or composition of matter, any technical innovation or discovery, including, without limiting the foregoing, recombinant or genetic processes, or compositions involving biological materials.

Inventor means any person who makes, discovers, or is directly responsible for an Invention, whether in whole or in part. **Co-Inventor** means any employee or student of the University, or any person from outside the University, who has made an inventive contribution to the Invention identified in the Declaration of Invention (Appendix 9).

Moral Rights has the meaning assigned to it by the *Copyright Act*.

Net Proceeds means the difference between Specified Revenues and Specified Costs. For purposes of reporting and distribution, Net Proceeds shall be calculated annually.

Qualifying Invention means any Invention developed in the course of the member's University duties and includes any Invention developed under a grant, sponsorship, contract or other agreement approved by the University or developed with the use of University funds, facilities, staff and/or students, or resulting from any grant or contract held by the member through the University.

Specified Costs means all costs associated with the Commercialization of an Invention or a Work including, as appropriate, the costs of applying for and obtaining a patent and associated legal fees and disbursements, and all legal costs associated with defending patent rights or other intellectual property rights against infringement.

Specified Revenues means all annual payment, whether lump sum or in the form of royalties or both, whether in the form of cash, shares, options or any other cash equivalent resulting from the Commercialization of an Invention received by the University or the Inventor.

Sponsorship means any support, whether by means of monetary support, the right to use facilities, personnel, or other resources provided by a third party and includes both public grants and private support. Such sponsorships shall be detailed in writing.

Work means any Intellectual Property that is eligible for Copyright protection.

PATENTS AND COPYRIGHT COMMITTEE

- 27.03 A Patents and Copyright Committee (the "PACO") is established composed of four (4) persons, two (2) to be named by the Employer and two (2) to be named by the Association. Alternates shall also be named, in the same way. The PACO members and alternates shall be appointed for a term of three years, which may be renewed. The PACO is presided over by a Chair, chosen by agreement between the Association and the Employer for a term of two years, which may be renewed. The Chair shall be a fifth PACO member, who shall vote only in the case of a tie. The quorum shall consist of all five (5) PACO members or alternates.
- 27.04 The mandate of the PACO is to resolve all disputes arising from the application of this Article.
- 27.05 When any matter in dispute regarding Intellectual Property is brought before the PACO, it shall have twenty-two (22) days to resolve the dispute. In the event that the PACO is not successful in resolving the dispute within twenty-two (22) days, it shall appoint a person of generally acknowledged reputation and expertise in dispute resolution, acceptable to both the Employer and the Association, to mediate the dispute.
- 27.06 In the event that the mediator reports that no settlement is possible, or if no settlement has been reached within thirty (30) days following the appointment of the mediator and the mediator reports no likelihood of imminent settlement, the matter shall be referred to an arbitrator in accordance with Article 27.08.
- 27.07 When the mediator reports that a settlement is possible, she or he shall make a report to the PACO, which shall draft an agreement for the parties according to the terms of the resolution and within twenty (20) days of the filing of the mediator's report with the PACO.
- 27.08 If at any time after the mediator's report a settlement is not reached, the Employer or the Association shall refer the dispute to arbitration in accordance with Article 22.08 *et seq*, except for the following difference:
- The arbitrator will be assisted by two (2) advisors. The Employer and the Association will each name one (1) person to act as advisor to the arbitrator.

PATENTS

- 27.09 The provisions of this section apply to the property rights and Commercialization of Inventions developed at the University by members. The discovery of patentable

Inventions is not a basic purpose of University research, nor is it a condition for support of such research. The Employer agrees that members have no obligation to seek patent protection for the results of academic work or to modify research to enhance patentability. The Employer further agrees that members have the unqualified right to decide whether or not to Commercialize their Inventions, subject to the terms and conditions set out in this Article.

27.10 The Employer has the authority to sign, and negotiate when required, any agreement relating to all grants, contracts and other agreements involving funds, sponsorship, research support of any description, whether monetary or in kind. With respect to the negotiation and acceptance of terms and conditions in any grant or contract, whether from public or private sources, the Employer shall ensure that the principles of Academic Freedom as defined in this Collective Agreement are respected. Any Intellectual Property rights resulting from a Work financed by a grant or contract shall then be governed by the conditions of that grant or contract.

27.11 A member who has produced an Invention which he or she intends to patent and/or Commercialize shall complete a Declaration of Invention (Appendix 9) in which the member states whether the Invention is Independent or Qualifying. The Declaration of Invention shall be filed with the Employer's Office of Research, which shall forward a copy of Part I to the Association as soon as the Declaration of Invention has been confirmed to be complete by the Office of Research and signed by the Director. If the member fails to disclose the existence of a Qualifying Invention and proceeds with Commercialization, it shall be understood that the Employer maintains its rights under this Article.

27.12 The Employer shall, within twenty-two (22) days of the signing by the Director of the Office of Research of the completed Declaration of Invention, inform the member in writing with a copy to the Association whether it consents to the member's declaration. Where there is disagreement on the characterization of the Invention, the matter shall be referred to the PACO in accordance with Articles 27.03 to 27.08. Any challenge by the Employer shall be null and void unless received within the above-noted time limit. Failure to respond to the member within twenty-two (22) days shall be considered as an acceptance of the Invention status declared by the member.

27.13 The Employer has no interest in or claim to any Independent Invention. Such Inventions and any patents arising therefrom shall be the sole property of the Inventor. However, a member and the Employer may enter into an agreement to Commercialize an Independent Invention. The Employer and the member shall then enter into an agreement in the form set out in Appendix 10A to provide for the terms and conditions of any possible future Commercialization of the Invention. The sharing of Net Proceeds will be consistent with the division set out in this Article 27.18 (a). A copy of this Appendix shall be sent to the

Association at the time of the signature, but information that compromises the protection of the Intellectual Property shall be deleted.

- 27.14
- 1) A member who decides to patent or patent and Commercialize a Qualifying Invention may proceed as follows:
 - (a) Patent and Commercialize with the assistance of the Employer and the Employer's agent; or
 - (b) Patent and Commercialize without the assistance of the Employer; or
 - (c) Patent without immediately Commercializing.
 - 2) The member must select one of the foregoing three options no later than the expiry of the twenty-two (22) days set out in Article 27.15 (a) or 27.16 (a), as the case may be. Where, at the end of this twenty-two (22) day period, the member has made no selection, she or he shall be deemed to have chosen the option set out in Article 27.14 1)(a) and shall sign an agreement in the form set out in Appendix 10A.

27.15 If the member wishes to patent and commercialize a Qualifying Invention with the assistance of the Employer:

- (a) She or he shall so notify the Employer within twenty-two (22) days of the determination that it is a Qualifying Invention, with a copy to the Association.
- (b) The Employer and the member shall then enter into an agreement in the form set out in Appendix 10A to provide for the terms and conditions of any potential protection and Commercialization of the Invention and include the division of Net Proceeds in accordance with Article 27.18(a). A copy of this agreement shall be sent to the Association, but information that compromises the protection of the Intellectual Property shall be omitted.
- (c) Within ninety (90) days of the signing of the agreement set out in Appendix 10A, the Employer shall indicate to the member whether it intends to patent and Commercialize the Invention or not, with a copy to the Association.
- (d) Where the Employer indicates that the evaluation of the Invention will require more than ninety (90) days, the Employer shall promptly inform the member in writing of this fact, indicating the reasons therefore and indicate what additional time will be required to complete the task of evaluation, with a copy to the Association. The additional time shall not exceed sixty (60) days.

- (e) In the event the Employer chooses not to patent and commercialize the Invention or fails to make this indication to the member within the allotted time, the member is free to patent and commercialize the Invention as she or he sees fit. In such event, except as provided for in Article 27.22, the Employer shall make no further use of the confidential information relating to the Invention. Any Net Proceeds shall be divided as set out in Article 27.18 (b).

27.16 If the member wishes to patent and Commercialize a Qualifying Invention without the assistance of the Employer, or where the member wishes only to patent the Invention:

- (a) She or he shall so notify the Employer within twenty two (22) days of the determination that it is a Qualifying Invention, with a copy to the Association.
- (b) Where the intention is to Commercialize without the assistance of the Employer, he or she shall, enter into an agreement with the Employer in the form set out in Appendix 10B. This agreement shall provide that the Commercialization plan and the identity of any third-party investor shall be subject to the approval and consent of the Employer. The Employer shall not withhold its consent unreasonably. The sharing of Net Proceeds will be consistent with the division set out in Article 27.18 (a). A copy of this agreement shall be sent to the Association, but information that compromises the protection of the Intellectual Property shall be omitted.
- (c) Where the intention is only to patent the Invention, the Employer and the member shall enter into an agreement in the form set out in Appendix 10B, subject to the condition that no Commercialization shall occur, except and until the Inventor gives her or his consent or until the Inventor undertakes any step towards Commercialization. Subject to the foregoing agreement, the Employer shall have no further immediate commercial interest, unless the member subsequently does any act or undertakes any step to Commercialize the Invention, whereupon the provisions of the agreement in form 10B shall thereupon take full effect as though the member had originally chosen to Commercialize immediately under 27.14 1)(b). The member shall notify the Office of Research in writing of the change in intention. The member may, in such notification alter her or his option and select Employer-led Commercialization as set out in 27.14 1)(a) and the provisions of Article 27.15 shall then apply. Where the member alters her or his selection and seeks Employer-led Commercialization, the Office of Research may, in its discretion, acting reasonably, evaluate the commercial potential of the Invention before agreeing to Commercialize.

- 27.17 The Employer, the Association, the member and any other third parties involved in any Commercialization process shall sign confidentiality agreements.
- 27.18 The division of Net Proceeds shall be made as follows:
- (a) fifty percent (50%) to the member(s), fifty percent (50%) to the Employer;
 - (b) Notwithstanding Article 27.18 (a) above, where the Employer refuses at the outset, as per Article 27.15 (e), to Commercialize a Qualifying Invention, the division of Net Proceeds shall be ninety-five percent (95%) to the member(s), five percent (5%) to the Employer.
- 27.19 Whosoever carries out the Commercialization of a Qualifying Invention shall provide the other party or parties, as the case may be, with detailed quarterly progress reports including, where applicable, interim financial statements prepared in accordance with generally accepted accounting principles and, where they differ, the definitions agreed to in this Article. The distribution of Net Proceeds shall be on the basis of the annual financial statements but only when accumulated Net Proceeds are positive. Negative Net Proceeds shall be carried forward as an opening balance to the next period. On ten (10) days' written notice, either the member or the Employer may examine the books relating to the Qualifying Invention, and whosoever is responsible for maintaining the books shall grant reasonable access to all relevant documentation. This provision applies equally in the case of an Independent Invention where Commercialization is led by the Employer.
- 27.20 An explicit reference to the dispute resolution procedures of this Article shall be deemed to be included in every Commercialization agreement made with the member, whether for an Independent Invention or a Qualifying Invention.
- 27.21 The Commercialization of a Qualifying Invention shall not affect the right of the member or members to use the Invention for further research, publication or teaching purposes. This right may be suspended only for the duration of the process necessary to protect the Intellectual Property. The duration of such a process shall not exceed ninety (90) days, unless agreed otherwise by all parties involved, during which a confidentiality agreement shall be in force. This provision applies equally in the case of an Independent Invention where Commercialization is led by the Employer.
- 27.22 The member shall be deemed to have granted to the Employer a non-exclusive, royalty-free, irrevocable, indivisible and non-transferable licence to use a Qualifying Invention for its own educational, teaching and research purposes for a period of ten years. This right may be suspended only for the duration of the process necessary to protect the Intellectual Property.

- 27.23 In the case where an Invention has more than one Inventor (Co-Inventors), the decision to file a Declaration of Invention and permit the Employer to Commercialize shall be by agreement of the Co- Inventors. In the event that the Co-Inventors cannot reach an agreement, the question shall be referred to the PACO in accordance with Articles 27.03 to 27.08.
- 27.24 Where a third party, not a member of the University, is a Co-Inventor of a Qualifying Invention, the member or members shall not consent to any plan of Commercialization that contravenes this Article.
- 27.25 The Concordia name, or any reference to Concordia, whether explicit or implicit, will not be used in connection with the development of an Invention without the express, prior written consent of the Employer.

COPYRIGHT

- 27.26 Copyright protects the right of expression and the right to publish, reproduce and distribute that expression. More particularly, in relation to a specific Work, Copyright means the sole right to produce or reproduce the Work or any part thereof in any form or in any medium chosen, to perform the Work or any part thereof in public or, if the Work is unpublished, to publish the Work or part thereof.
- 27.27 Copyright applies to all original Works as that term is understood by the *Copyright Act*, including but not limited to: scholarly, scientific, literary, dramatic, musical, artistic and recorded works, including Course or Instructional Materials in any material or electronic form.
- 27.28 The member will retain the Copyright of any Work, including Course or Instructional Materials, which results from research and teaching activities, except Commissioned Works. The Employer has no interest in or claim to any such Work, whether published or not, that the member has prepared, whether in the course of employment or otherwise. In the case of Commissioned Works, Article 27.30 applies.
- 27.29 (a) Notwithstanding Article 27.28 the member shall be deemed to have granted to the Employer for ten years, a royalty-free, non-exclusive, irrevocable, indivisible, non-transferable licence to use any Work for research and teaching purposes of the University, provided that the Author is credited in every use and entitled, at her or his request, to correct, update or replace any Work or any part of any Work.
- b) The licence granted to the Employer under Article 27.29 (a) will not be deemed to have conferred any right upon the Employer to Commercialize or to use the Work in e-Concordia or any private teaching endeavour, including any on-line or distance

training or education programme that is not part of the regular teaching activities of Concordia University.

- 27.30 Where the Work is a Commissioned Work from the Employer or the result of a particular contract or grant held by the member through the University, the right to Copyright and the rights to royalties or other income shall be determined by the terms of that commission, grant or contract. In the case of a Work commissioned by the Employer, the Copyright shall remain with the Employer, unless the terms of the commission state that Copyright shall remain with the member.
- 27.31 The member shall retain all moral rights to any Work at all times. Nothing in this provision shall abridge, or impede the member's right to control her or his Work and to make decisions regarding it.
- 27.32 Where the Employer engages in any teaching initiative or programme through a third party or as part of an ancillary correspondence teaching programme, including on-line, other electronic or distance teaching programmes and wishes to include the Work of any member in that teaching initiative or programme, the Employer shall request permission to use the Work from the member. Should the member agree, the use of the Work shall be subject to a written agreement between the member and the Employer. A copy of this agreement shall be sent to the Association at least five (5) days before signing.
- 27.33 Should the Employer wish to erase or otherwise cease to use any member's Work, the member shall be given one (1) year's notice in writing of such intention and shall be permitted during that time to take either the original or a copy of all or a part of the work for her or his own use, and at a cost not exceeding the cost of the medium by which the work has been recorded. If the Employer decides to archive a member's Work, the member shall always have access to the archival copy.
- 27.34 In the case of software which falls under the scope of patent protection, any Commercialization of that software or other Work, whether Commissioned or not, shall be subject to the provisions of this Article dealing with patent Commercialization, including the division of Net Proceeds.

Concluding Provisions

- 27.35 Where appropriate, the provisions of this Article shall apply to all Co-Inventors or Authors *mutatis mutandis* in accordance with the agreed-upon division of Article 27.23.

27.36 The salary and benefits or any part thereof of a member and the provision of standard academic facilities shall not be included as a cost item in the calculation of Specified Costs in this Article.

27.37 In the event that the Employer or assignee relinquishes its rights in any Work, all rights shall revert back to the member. In the event that the member is deceased, the rights shall revert to the estate or succession of the member. At the request of the member or the member's representative the Employer will promptly execute any transfer or other document necessary to confirm the reversion of rights to the member or the member's estate or succession, as the case may be.

Agreed upon in Montreal on April 22, 2009

For CUFA

For Concordia University

Dr. Lucie Lequin

Dr. David Graham