

# KINGSTON HEALTH SCIENCES CENTRE ADMINISTRATIVE POLICY MANUAL

**Subject: Intellectual Property – University Faculty and  
Staff Members with Hospital Appointments**

**Number: 01-122**

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Original Issue: 2017.04

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## **Preamble**

The Kingston Health Sciences Centre (KHSC), together with its sole agents for research, the Kingston General Health Research Institute (“KGHRI”) and the Hotel Dieu Hospital Kingston Research Institute (“HDHkRI”), endorses and supports research that advances knowledge and brings evidence into practice for the benefit and empowerment of our patients, their families and our medical community. KHSC consists of two hospital campuses: Kingston General and Hotel Dieu. The Hotel Dieu campus conducts all research consistent with the history, traditions, mission and Catholic faith and in accordance with the Catholic Health Ethics Guide published by the Catholic Health Alliance of Canada.

KHSC recognizes its responsibility to produce and disseminate knowledge. Inherent in this responsibility is the need to encourage the production of creative and scholarly works and the development of new and useful materials, devices, processes, and other intellectual property. The creation of intellectual property may have potential for commercialization, which thereby contributes to the professional development of researchers and the research staff, students, and trainees involved. It also enhances the reputation of the Hospital, provides expanded educational opportunities, and potentially can advance knowledge that brings evidence into practice for the benefit of our patients, their families and our medical community.

## **Policy Statement**

This policy applies to all Queen’s University (“University”) Faculty and University Staff, Students, and Trainees (collectively “Personnel”) with Hospital privileges, Hospital credentials or Hospital research appointments (“Appointees”) and the Inventions/Intellectual Property created by the Appointee(s) which results from the use of patients, patients’ families, Hospital facilities (equipment and space), Hospital funding, and/or Hospital staff (collectively “Hospital Resources”). This policy is intended to complement the current intellectual property policy contained in the collective agreements between the University and the University Faculty Association (QUFA; Article 16) and the University and the Post-Doctoral Fellows (PSAC; Article 22). The policy is designed to encourage patenting and commercial development of, and promote maximum public benefit from, the fruits of intellectual endeavour of Appointee(s) using Hospital Resources.

KHSC works collaboratively with its partners, Queen’s University at Kingston (Queen’s) and Providence Care Centre (PC). To the extent possible, attempts have been made to harmonize policies and procedures for issues of common interest, such as research, with our partners. The elements of this policy are similar to those found in the PC Policy #ADM-RES-3.

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## Definitions

Invention means any subject matter that is (a) new and useful art, process, machine, manufacture or composition of matter, or any new or useful improvement in any act, process, machine, manufacture or composition of matter (Patent Act, R.S.C. 1985, c.P-4, s.2) whether or not patentable, (b) patentable research data or research tool, including, without limitation, biological material and other tangible research material, and (c) proprietary information or know-how, or trademark related to any of the foregoing items; and includes all legal and equitable rights relating to such property and any research data relating to such property. For clarity, Invention does not include non-patentable computer software.

Intellectual Property means any result of intellectual activity created by an Appointee(s) that can be owned by a person and includes inventions, publications, computer software, works of art, industrial and artistic designs, composition of matter, new or improved devices, systems, chemical compounds and any other creation that can be protected under patent, copyright or trademark laws.

## Procedures

1. Inventions/Intellectual Property which results from the use of Hospital Resources is owned by the Appointee(s), unless some other arrangement has been agreed to in advance, any conveyance by the Appointee(s) of his/her ownership by individual contract, or any grant to the University and Hospital of a license to use specific copyright material for educational or research purposes by individual contract.
2. Where permitted, the Hospital will be granted a non-exclusive, royalty free, fully paid up license to use for non-commercial educational and research purposes within the Hospital, for all Inventions/Intellectual Property created by Appointee(s) using Hospital Resources.
3. No Appointee(s) is obligated to engage in commercialization of Inventions/Intellectual Property. The Appointee(s) is free to publish or use other means to place Inventions/Intellectual Property in the public domain as an alternative or in addition to using commercialization.
4. Queen's University Technology Transfer Unit is the agent chosen by the Hospital to protect and commercialize Inventions/Intellectual Property which result from the use of Hospital Resources.
5. With respect to Inventions created from the use of Hospital Resources, (i) where Appointee(s) are using Queen's University Technology Transfer Unit as the chosen agent for commercialization, the relevant provisions described in Procedures 6 to 16 of this policy will apply; and (ii) where Appointee(s) are not using Queen's University Technology Transfer Unit as the chosen agent, the relevant provisions described in Procedures 17 and 18 of this policy will apply.

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6. Appointee(s) who wish to exploit the commercial potential of an Invention shall report in writing to KHSC Vice President, Health Sciences Research and University Vice-Principal (Research), or to its delegate Queen's University Technology Transfer Unit, prior to seeking protection or commercialization. The Appointee(s) must include all known Contributors and Co-Inventors on Queen's University Technology Transfer Unit's Invention Disclosure Form. A Contributor is defined as any person, institution or entity which has or may have made a material contribution to an Invention.
7. Unless otherwise stated in writing to Queen's University Technology Transfer Unit, the standard distribution of net revenues from Inventions/Intellectual Property jointly developed by the University and the Hospital will be 50% to the Appointee(s), 25% to Queen's University Technology Transfer Unit and 12.5% to each of the University and the Hospital. If either the University or the Hospital takes a lead role, negotiations between the University Vice-Principal, (Research) and KHSC Vice President, Health Sciences Research shall determine the respective interests of the University and the Hospital in the institutional share of any net revenues.
8. Regardless of whether the Hospital or the University takes the lead role, or if the Invention is developed jointly, the following shall take effect:
  - a. Following the disclosure to KHSC Vice President, Health Sciences Research and University Vice-Principal (Research), or its delegate Queen's University Technology Transfer Unit, if Queen's University Technology Transfer Unit is a suitable vehicle for the exploitation of the Invention, it shall have an exclusive opportunity for ninety (90) days to make an offer for commercialization for exploitation acceptable to the Appointee(s). Any disclosure and its contents shall be kept in confidence by Queen's University Technology Transfer Unit, the University and the Hospital. The Appointee(s) has no obligation to accept a Queen's University Technology Transfer Unit proposal if Queen's University Technology Transfer Unit is an unsuitable vehicle for commercialization. The consent of the Appointee(s) and any Contributors or Co-Inventors is required before a Queen's University Technology Transfer Unit offer may be accepted;
  - b. Unsuitability of Queen's University Technology Transfer Unit shall be based upon:
    - i. An inadequate capacity to undertake the commercialization in an expeditious manner; or
    - ii. Insufficient prior experience with the type of Invention or with the types of commercialization, which are likely to yield a good return for such Invention.
9. Any dispute between the Hospital, University and the Appointee(s) as to whether Queen's University Technology Transfer Unit is a suitable vehicle for exploitation shall be resolved by consensual mediation or arbitration as set out below. The costs associated with the

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mediation or arbitration shall be shared equally between the Appointee(s), University and Hospital.

10. In the event that the Appointee(s), the University and/or the Hospital are unable to decide on the suitability of Queen's University Technology Transfer Unit, either the Appointee(s) or the University or the Hospital may request mediation of the dispute within forty-five (45) days after the Appointee(s) has advised the University and the Hospital that Queen's University Technology Transfer Unit is not a suitable vehicle. The other parties have five (5) working days within which to indicate its consent to mediation. If the parties agree to proceed to mediation, the mediator shall be chosen by mutual agreement between the Appointee(s), the University and the Hospital within ten (10) days.
11. In the event the parties do not proceed to mediation or the mediation is unsuccessful, either the Hospital, the University or the Appointee(s) shall give a notice of its intent to proceed to arbitration within forty-five (45) days after the Appointee(s) has advised the University and the Hospital that Queen's University Technology Transfer Unit is not a suitable vehicle or within ten (10) days of an unsuccessful mediation.
12. The arbitration panel shall be formed as follows: the Appointee(s) shall select one member of the panel, KHSC Vice President, Health Sciences Research and University Vice President (Research) shall jointly appoint another member of the panel, and the two panel members shall appoint a chair. The Hospital, the University and the Appointee(s) agree that the selection of the panel shall be conditional upon the panel members agreeing that:
  - a) the arbitration shall commence within sixty (60) days of the selection of the panel;
  - b) the expected number of days needed to complete the arbitration, which shall have been determined in advance by the Hospital, the University and the Appointee(s), shall be scheduled within a mutual agreeable time; and
  - c) the panel agrees that its decision will be delivered within sixty (60) days of the completion of the evidence.
13. If the Appointee(s) elects to use the services of Queen's University Technology Transfer Unit and Queen's University Technology Transfer Unit agrees to commit its resources to protection and commercialization, the sharing of net revenues with the Appointee will be in accordance with the business practices of Queen's University Technology Transfer Unit, as approved by its Board of Directors, and the Management and License Agreement between Queen's University Technology Transfer Unit and the Hospital.
14. If Queen's University Technology Transfer Unit is the agent selected to commercialize the Invention, the Appointee(s) shall forthwith assign all right, title, and interest in and to the Invention to the University and Hospital. Queen's University Technology Transfer Unit is

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required to give Appointee(s) fifteen (15) days of notice prior to entering into an agreement with a third party for commercialization of such Invention.

15. KHSC Vice President, Health Sciences Research and University Vice President (Research) through its delegate, Queen's University Technology Transfer Unit, shall investigate (Inventorship Investigation) with due diligence the extent of involvement of any and all Contributors and Co-Inventors whether or not they have been identified by the Appointee(s). The Appointee(s) and any identified Contributors and Co-Inventors must sign an acknowledgement certifying that they are satisfied as to the completeness and accuracy of the Inventorship Investigation.
16. Appointee(s) have the right to withdraw from agreements with Queen's University Technology Transfer Unit prior to Queen's University Technology Transfer Unit entering into an agreement with a third party in the relation to the commercialization of such Invention under certain circumstances:
  - a) where the restrictions associated with the exploitation are interfering with the ability of the Appointee(s) to pursue his or her scholarly research, and the Appointee(s) agrees not to seek subsequently to exploit the Invention for commercial purposes; or
  - b) Queen's University Technology Transfer Unit has failed to bring appropriate skills and effort to bear on the exploitation over a period of time; or
  - c) Queen's University Technology Transfer Unit provides the Inventorship Investigation to the Appointee(s) that discloses an additional Contributor or Co-Inventor. The Appointee(s) will have seven (7) days following the receipt of such information to elect to withdraw from their agreement with Queen's University Technology Transfer Unit.

Any dispute about whether withdrawal is warranted shall be resolved as set out in Section 9 to 12.

17. If the Appointee(s) elects to protect or exploit an Invention developed with Hospital Resources without Queen's University Technology Transfer Unit and if Queen's University Technology Transfer Unit was a suitable vehicle for such exploitation and if the Appointee(s) receives any net proceeds of exploitation, the Appointee(s) shall pay to the Hospital twenty-five percent (25%) of any net proceeds of exploitation exceeding \$500,000.00. The University and the Hospital shall enter into negotiations to determine their respective interests in said twenty-five per cent (25%) interest.
18. If the Appointee(s) elects to protect or exploit Invention developed with Hospital Resources without Queen's University Technology Transfer Unit and if Queen's University Technology Transfer Unit was not a suitable vehicle for such exploitation, the Hospital and the University retain the right to partner with the Appointee(s) in the protection or exploitation of the

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Invention. Unless otherwise stated in writing, the standard distribution of net revenues from Invention jointly developed by the Appointee(s), the Hospital and the University will be twenty-five per cent (25%) to the Appointee(s) and the remaining net proceeds to be shared pro-rata, based on the financial contribution made by the University and the Hospital.

19. Any net proceeds to which the Hospital becomes entitled to shall be placed in a Hospital Research Institute(s)' research restricted account for the general purpose of supporting patient-oriented research in the Hospital at the discretion of KHSC Vice President, Health Sciences Research.

**Adherence to the foregoing procedures will ensure efficient administration of research within the Hospital.**

## **Related Documents**

KHSC - 11-150 Health Research

KHSC - 01-121 Intellectual Property-Employee

KHSC - 11-151 Research and Clinical Trial Agreement Overhead

KHSC - 03-021 Research Restricted Accounts

KHSC - 11-152 Standard Operating Procedures for Clinical Research

KGH - 11-012 Research Hospital Appointment

Authorizing Signature

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Dr. David Pichora  
President and Chief Executive Officer