



Policy Title :	Commercialization Policy				
Policy Number:	UPM.VRAA.SRGD.PP.03	Version	01	Effective Date	10 / 02 / 2020

Policy Statement:

University of Prince Mugrin (UPM) encourages developing capacity for the commercialization of its research outputs and supporting the enterprise and industrial sector.

Purpose:

This policy regulates the exploitation and commercialization of Intellectual Property generated from projects funded by the Saudi Government, UPM or other research organizations.

Scope:

1. Office of the Rector
2. Office of Vice Rector for Academic Affairs
3. Office of Vice Rector for Business Development
4. Public Relations Department

Policy Provision:

1. It is the intention of UPM to encourage and reward innovation and creative activity. Therefore, it is required to encourage and motivate researchers, employee(s) and others associated with UPM funded research and development projects and to administer Intellectual Property (IP) rights in a manner that is reasonable to all parties involved and for the public benefit.
2. UPM will provide assistance for Commercialization to UPM IP owners by taking an idea to an outcome in a form of a product, service, process or organizational system to market by way of licensing, assignment, spin-off, or joint ventures.
3. UPM employees must not disclose IP having commercial potential to third parties unless they have advised the Department of Scientific Research and Graduate Studies in writing with reasonable notice to enable assessment. However, UPM employee(s) can proceed at their own:
 - a. If the decision by the University is not to accept responsibility for Commercialization; and
 - b. If no decision is made by the Director of Scientific Research and Graduate Studies within two (2) months of the date of submission of the written notice.
 - c. If the employee works jointly on an idea with a third party in which the third party has contribution to the IP.



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University of Prince Mughrin

4. UPM will encourage and reward innovation and creative activity through sharing of revenues and other income generated from commercial exploitation of Intellectual Property rights.
5. Incentive schemes for inventor(s) upon disclosure of invention, filing of patent and/or grant of patent shall be regulated by the Scientific Council. In a circumstance where there are one or more Inventors, the incentives will be distributed in accordance to the explicitly written agreement of the Inventors or based on the Inventors named in the Invention disclosure form.
6. Where the Recipient/UPM derive any financial return from the commercial exploitation of the Intellectual Property, such net revenues shall be divided between the Recipient and the Inventor(s). In arriving at the figure that is available for sharing between the Recipient and the Inventor(s), the Recipient shall deduct all reasonable Expenses. Distribution of rest of net revenues will be subject to negotiations.
7. In the event of a dispute, controversy, claim or difference of whatever nature arising out of the implementation or operation of this Policy, among the Inventors themselves, or between the Inventor(s) and the Recipient, a committee formed by Director of Scientific Research and Graduate Studies shall try to resolve the dispute, claim or difference; failing which, it shall refer the matter to the upper body of Intellectual Property Commercialization for resolution.
8. The costs of such dispute resolution, if any, shall be borne equally by all parties to the dispute.
9. The Director of Scientific Research and Graduate Studies may delegate any of his responsibilities under this policy to another person or committee e.g. negotiating team as deemed necessary.

Procedure(s) that apply:

S. No.	Procedure Steps	Responsibility
1.	Initial Assessment	
1.1	Department of Scientific Research and Graduate Studies will make an initial assessment of the intellectual property disclosed in a Non-Disclosure Form. The assessment will focus on: <ol style="list-style-type: none"> a) Commercialization prospects of the Intellectual Property; b) Appropriateness of seeking the protection of the intellectual property; c) Suitable commercialization strategies; and d) Potential industry partners. 	Department of Scientific Research and Graduate Studies
1.2	Department of Scientific Research and Graduate Studies will provide advice to inventor(s) regarding: <ol style="list-style-type: none"> a) whether to apply for a patent; b) the timing of a patent application; and c) the scope of protection to be sought. Feedback is expected within two (2) months of the date of submission of written notice.	Department of Scientific Research and Graduate Studies
2.	Pre-Negotiation	



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University of Prince Mugrin

S. No.	Procedure Steps	Responsibility
2.1	Recipient, Inventor(s) and Commercialization party(s) are required to disclose the particulars of any Intellectual Property rights and other relevant information, which would be relied upon during the negotiation. Before disclosing any Confidential Information, a Non-Disclosure Agreement (NDA) must be executed.	Recipient and Inventor(s)
2.2	In contract negotiation, the Recipient may appoint the negotiating team from UPM internal resources or external experts as deemed necessary. The negotiating team representing the Recipient should have the following attributes: a) Technical expertise and firm understanding of the technology that is at issue; b) Good understanding of relevant laws, regulations, Government policies and of any policies or requirements adopted by the Recipient; and c) Sufficient commercial expertise.	Recipient
2.3	The party representing the Recipient shall be responsible for all activities related to Intellectual Property Commercialization, such as the following: a) Researching the market; b) Identifying parties that have the business or technical expertise to effectively commercialize the Invention; c) Enter into discussions with interested parties and potential licensee(s); d) Develop a business plan; and e) Negotiate agreements.	Negotiating team
3.	Commercialization Options	
3.1	Following the previous steps, possible commercialization options include licensing, assignment, spin-off, or joint ventures.	Negotiating team
3.2	Licensing can be in the form of exclusive License, non-exclusive License, sole License and cross License. All licensing arrangements can be contractually limited by geographical locations, time, industry and fields of application. Exclusive License - the Recipient transfers all rights of exploitation of the Intellectual Property to the licensee. This means the Recipient relinquishes the rights to exploit the Intellectual Property himself or to grant any additional, subsequent License(s) to another party. Recipient should retain the rights to use, conduct further research and development and exploit the Intellectual Property for non-commercial use. Non-Exclusive License - the Recipient may grant the rights of exploitation of the Intellectual Property to one or more party(s), including the right to exploit the Intellectual Property himself. In a non-exclusive License, the Recipient may grant the licensee sub-licensing rights.	Negotiating team



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University of Prince Mugrin

S. No.	Procedure Steps	Responsibility
	<p>Sole License - the Recipient transfers all rights of exploitation of the Intellectual Property to the licensee but retains his rights to exploit the Intellectual Property himself.</p> <p>Cross-License - This option allows two or more Intellectual Property owners to contractually authorize each other to use their Intellectual Property for commercial and non-commercial purposes. In a cross-licensing arrangement, the consideration for the rights conferred by one party is a reciprocal grant of rights by the other. Cross-licensing terms may include the payment of a licensee fee or royalty if the rights conveyed by the parties are not equal in value.</p>	
3.3	<p>Assignment - The Recipient transfers complete ownership to another party (assignee). Assignment involves an outright sale of Intellectual Property rights to the assignee. However, partial Assignments are allowed. For example, an Assignment may be restricted by geographical locations.</p>	Negotiating team
3.4	<p>Spin-Off Company - The Recipient establishes a company for the purpose of Commercialization of the Intellectual Property, where Inventor(s) and Recipient may own equity in the company together with any third party, in proportions to be negotiated.</p>	Negotiating team
3.5	<p>Joint Venture Company - The Recipient establishes an entity together with a third party for the purpose of Commercialization of the Intellectual Property, where the Recipient and the third party are shareholders of the said company.</p>	Negotiating team

Applicable Form(s):

Currently under development

Definition(s):

Commercialization	Taking an idea to an outcome – whether a product, service, process or organizational system to market by way of licensing, Assignment, spin-off, or joint ventures;
Employee	Any Employee or Student of UPM under a contract of service or active registration respectively
Fund	Any Fund provided by the Government of Saudi Arabia or any other local or international funding body for research and development, acquisition, pre-commercialization and Commercialization of Intellectual Property
License	The right to exploit any Intellectual Property rights granted by the owner, the licensor, to another person, the licensee, and includes a sub-license
Patent	Patents protected under the Patents Act ¹ , as currently in force
Recipient	Any person(s) at UPM or UPM itself who receives Fund from the Relevant Body
Relevant Body	The collective reference to the Ministry, Government Agency, UPM and external Research Institution



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University of Prince Mughrin

Spin-Off Company	A company that exploits a university or research institution Intellectual Property.
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Related Policy (ies):

1. **Research Ethics Policy**
2. **Intellectual Property policy.**

Reference(s):

- Saudi Patent Office: <https://www.kacst.edu.sa/eng/IndustInnov/SPO/Pages/SPO-directors.aspx>
- The Law of Saudi Trademarks: <https://www.wipo.int/edocs/lexdocs/laws/en/sa/sa003en.pdf>

Policy History:

1. 10.02.2020 (Initial Release)

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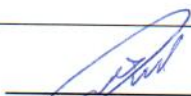
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Date:	/ /2020	Date:	19 /02/2020