

P. Revised Intellectual Property Rights (IPR) Policy of the University of the Philippines (Major Points for Revision)

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>Waiver by University of Rights to Patent</p> <p><i>Note. those in caps were not in the old IPR policy</i></p> <p>Article 5 (4)b “No waiver shall be given unless there is a written commitment that no further development of the invention shall be made involving the financial support or resources of the University. Nor shall any waiver be made in violation of any contractual obligation of the University</p> <p>THE UNIVERSITY MAY ALSO IMPOSE OTHER CONDITIONS FOR THE GRANT OF THE WAIVER SUCH AS REVENUE SHARING PROVISIONS, UNIVERSITY EQUITY OR SHARES IN A SPIN-OFF COMPANY FORMED AROUND THE INVENTION, A NON-EXCLUSIVE ROYALTY-FREE LICENSE IN FAVOR OF THE UNIVERSITY AND THIRD PARTIES TO USE THE INVENTION FOR TEACHING, SCHOLARLY AND OTHER ACADEMIC NON-PROFIT PURPOSES AND SUCH OTHER SIMILAR REQUIREMENTS THAT WOULD PROMOTE REASONABLE ACCESS BY THE PUBLIC TO THE TECHNOLOGY.”</p>		<p>This is based on practice by top-ranked universities worldwide to encourage both the transfer of the IP to market/the wider public, as well as to invoke the university’s rights in shares of revenues generated by commercialization of the IP</p>

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>Access to thesis/dissertation with patentable intellectual property</p> <p><i>Note. those in caps are an entirely new provision.</i></p> <p>Article 7 (2) "IN THE EVENT A THESIS OR DISSERTATION CONTAINS INFORMATION ON AN INVENTION THAT MAY BE PATENTABLE OR REGISTRABLE, OR IF THE SAME CONTAINS CONFIDENTIAL INFORMATION OF THE UNIVERSITY AND/OR THAT OF A THIRD PARTY, THE DEPARTMENT, INSTITUTE OR COLLEGE MAY WITHHOLD PUBLIC ACCESS TO SAID THESIS/DISSERTATION AND THE DEFENSE PROCEEDINGS AND MAY TAKE SUCH OTHER REASONABLE STEPS TO PROTECT THE UNIVERSITY AND/OR THIRD PARTY'S IP RIGHTS UNTIL THE UNIVERSITY AND/OR THIRD PARTY HAS GIVEN WRITTEN PERMISSION TO DISCLOSE THE SAME .."</p>	<p><i>Tech Transfer Act of 2009 (R.A. 10055), Article III, Section 8(h) which states that the research and development institution (RDI) is</i></p> <p>"authorized, within a reasonable time, to keep confidential from the public any document or information relating to potential IPRs that are not yet fully protected by law"</p>	<p>This is a new provision to make the university IPR Policy conform to the Technology Transfer Act of 2009.</p> <p>This is also best practice adopted by most top-ranked universities. The University of Cambridge, for instance, includes an extra page in the thesis/dissertation specifying the people granted access to it, until such time the potential IPR is protected</p>

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>Provisions on royalty sharing</p> <p><i>Note: This section on royalties had to be revised completely See third column on the right for explanation.</i></p> <p>Article 8 (2) “ The university shall assign to the author(s), inventor(s), or creator(s) 100% of the first five hundred thousand pesos (or less) of royalty received by the university from commercialization of the intellectual property This amount may be adjusted on a yearly basis, taking into account factors such as inflation rate In excess of this amount, the author(s), inventor(s) or creator(s) shall receive at least forty percent (40%) of the royalty received by the university. Collaborating authors or inventors shall share in accordance with the determination of their participation in the authorship or invention as prescribed in these rules. Twenty five percent (25%) of the remainder of the royalty received by the university from the commercialization of the intellectual property shall go to U.P system, while seventy five percent (75%) shall go to the constituent university, without prejudice to such policies</p>	<p>Magna Carta for Scientists, Engineers (Republic Act 8439) which also states 40% share in royalties for inventors) Tech Transfer Act of 2009 Article V Section 11 which states that: “ Sharing of revenues between RDI and researcher shall be governed by an employer-employee contract or other related agreements, without prejudice to the rights of researchers granted under Republic Act No. 8439 or the Magna Carta for Scientists, Engineers, Researchers, and other S&T Personnel in the Government.”</p>	<p>The old UP IPR Policy allows for 1/3 share each for UP System, the constituent university and the authors /inventors.</p> <p>In the revised policy, the first P500,000 goes to the authors/ inventors/creators. In excess of this amount, at least 40% will go to the inventors; of the remainder 25% goes to UP System and 75% goes to the CU.</p> <p>This sharing formula should incentivize inventors/authors while allowing the university to cover costs of IP protection and management as well as to reinvest revenues in R&D and the maintenance of tech transfer offices, as required by R.A. 10055.</p>

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>Provisions on upfront, milestones and other payments</p> <p><i>Note: Those in caps are an entirely new provision.</i></p> <p>ARTICLE 8 (3) UPFRONT, MILESTONES AND OTHER PAYMENTS - "DETERMINATION OF THE INCOME SHARING FORMULA BETWEEN THE U.P SYSTEM, THE CONSTITUENT UNIVERSITY AND INVENTORS, AUTHORS OR CREATORS FOR ALL OTHER INCOME STRUCTURED INTO A DEAL SHALL BE GOVERNED BY THE APPROPRIATE AGREEMENTS PURSUANT TO THE PROVISIONS OF THE TECHNOLOGY TRANSFER ACT AFTER CONSIDERATION OF ALL EXPENSES INCURRED IN PROTECTING THE INTELLECTUAL PROPERTY, AS WELL AS FOR MAINTENANCE, POSSIBLE LITIGATION AND OTHER COSTS.</p>	<p><i>Tech Transfer Act of 2009 Article 5 Section 11as stated above.</i></p>	<p>Neither the Tech Transfer Act of 2009 nor the old UP IPR Policy has a provision on these forms of payment.</p> <p>This was included given the way licensing deals are structured these days, especially in industries such as pharma and biotech.</p> <p>Other costs which may be incurred by the CU include possible litigation in cases of patent infringement, the need to in-license technologies to further develop the inventors' IP, and the responsibility of the university to re-invest its revenues in R&D and support other technology transfer activities.</p>

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>Responsibility for expenses incurred in protecting and managing intellectual property</p> <p><i>Note. This provision was in Article 7 (2b) of the old IPR policy. The main change here is the insertion of the word constituent (in caps below) to clarify that expenses for IP protection and management etc shall be for the account of the constituent university and not of UP System.</i></p> <p>Article 8 (3) "All other expenses shall be for the account of the CONSTITUENT university and shall be taken from its share in the royalties and other payments... "</p>	<p><i>Edgardo J. Angara Executive Order No. 2 Section V (Policy Guidelines on all Copyrightable and Patentable Works; 1987) which states that:</i></p> <p>"All expenses incurred relative to the registration of copyrightable and patentable works such as filing fees and attorney's fees prior to the generation of revenue/income therefrom, shall be charged against the income of the autonomous campus from where said work originated.</p> <p>" the autonomous campus shall provide a separate budgetary allocation in their respective internal operating budget for 1987 and subsequent years thereafter, until such time that the income generated from copyrightable and patentable works are sufficient to finance expenses in connection with the implementation of this order "</p>	<p>Note that EJ Angara's Exec. Order No 2 was not repealed by the (old) UP IP policy of 2003.</p> <p>The old IP Policy assigns this responsibility to the university, which is clarified here as the constituent university, pursuant to Angara's EO No. 2</p>

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>Portability of shares in royalty/other payments</p> <p><i>Note. This is an entirely new provision.</i></p> <p>ARTICLE 8 (4) "SHARES IN ROYALTY AND OTHER REVENUES SUCH AS UPFRONT, MILESTONE, AND OTHER PAYMENTS SHALL BE PAYABLE TO THE CREATOR(S)/ INVENTOR(S) OF THE IP EVEN AFTER RETIREMENT, TERMINATION OF THEIR EMPLOYMENT WITH THE UNIVERSITY OR THEIR CONTRACT OF SERVICE OR IN THE CASE OF STUDENTS AFTER THEIR GRADUATION FROM THE UNIVERSITY THE DEPARTMENT/INSTITUTE FROM WHICH THE INVENTION ORIGINATED SHALL ALSO CONTINUE TO RECEIVE ITS SHARES IN ROYALTY AND OTHER PAYMENTS "</p>		<p>Neither the old UP IP Policy nor the Technology Transfer Act has provisions on portability of shares in payments in the event the creator/inventor of IP leaves the university. These have been incorporated in the new guidelines based on standard practice of most universities and research institutes worldwide.</p>

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>Exclusive Licensing Agreements to be allowed in some cases/particular industries</p> <p><i>Note: This revised provision (in caps) corresponds to Article 7 (3) in the old IPR policy which states that: "Pursuant to its public function, the University shall not enter into exclusive licensing arrangements. Nor shall the University enter into any kind of contractual arrangement that would deter the public in general from having reasonable access to the works or inventions."</i></p> <p>ARTICLE 8 (5) " ..NON-EXCLUSIVE LICENSING, THROUGH WHICH A LICENSE MAY BE GRANTED TO MORE THAN ONE LICENSEE, IS PREFERRED BUT IN SOME CASES, AS WHEN SIGNIFICANT INVESTMENTS OF TIME AND RESOURCES ARE NEEDED TO BRING THE TECHNOLOGY TO MARKET, AN EXCLUSIVE LICENSE MAY BE NECESSARY AND APPROPRIATE AS THE SAME WILL PROVIDE AN INCENTIVE TO THE LICENSEE TO BEAR THE RISKS OF FURTHER DEVELOPMENT (E.G., IN DRUG DEVELOPMENT)..."</p>	<p><i>The Implementing Rules and Regulations (IRR; to be published soon) of the Technology Transfer Act of 2009</i></p> <p>- will clarify that exclusive licensing agreements will be allowed in certain cases.</p>	<p>The old IPR Policy does not allow exclusive licensing. However, in particular industries such as the pharma/biotech industry, drug candidates are licensed out only under exclusive arrangements, as the licensee has to bear the risks (very high attrition rates) and costs of drug development over a very long period of time (up to 15 years)</p>

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>Renaming of the Technology Licensing Office</p> <p><i>Note: please see third column on the right.</i></p> <p>Article 9 (1). Creation of the TTBD0- To implement these rules, the existing Technology Licensing Office (TLO) under the Office of the Vice President for Development shall be renamed and re-structured as the “Technology Transfer and Business Development Office (TTBDO)”, in line with the evolution of the structure of most university technology transfer offices worldwide.</p>	<p><i>Technology Transfer Act of 2009, Article IX, Section 20 which states that:</i></p> <p>“All RDIs are encouraged to establish their own TLOs in whatever form and to adopt their own policies on IPR management and technology transfer, in accordance with this Act and other existing laws and in support of the policies of the Intellectual Property Office Philippines and the national policy and the mandate of their parent agency ”</p>	<p>This revised provision better reflects the normal functions assigned to TLOs. These include IP protection and management, business incubation and formation of spin-out companies, promotion of entrepreneurship on campus, among others.</p>

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>Leverage the university-brand to secure consultancy contracts for faculty and staff (as a function of the TLO)</p> <p><i>Note: Those in caps are an entirely new provision.</i></p> <p>ARTICLE 9 (3) (L). "HELP LEVERAGE THE UNIVERSITY BRAND AND SPECIALIST EXPERTISE ACROSS SUBJECT AREAS IN SECURING CONSULTANCY CONTRACTS FOR FACULTY AND STAFF FROM LOCAL AND MULTINATIONAL CORPORATIONS, GOVERNMENT AND INTERNATIONAL ORGANIZATIONS, NON-GOVERNMENTAL ORGANIZATIONS (NGOS) AND SMALL-TO-MEDIUM ENTERPRISES (SMES)</p>	<p><i>Magna Carta for Scientists, Engineers (Republic Act 8439), Section 10, which states.</i></p> <p>"Scientists, engineers, researchers Shall be allowed to render consultancy services to the private sector and shall be entitled to receive such honorarium that may be paid to them by the private entity concerned Such payments shall be over and above their salary from the government during the period of the consultancy and shall not be considered as double compensation "</p> <p><i>Limited Practice of Profession (UP)</i></p>	<p>Top-ranked universities worldwide recognize that consultancies are a form of knowledge transfer Hence, many of them operate a university subsidiary for this purpose or task their TLOs to manage consultancy contracts on behalf of faculty and staff.</p>

SPECIFIC PROVISION TO BE REVISED/ADDED	LEGAL/OTHER BASIS	REASON(S)
<p>To promote formation of spin-off companies as one of the functions of the TLO</p> <p><i>Note: This function of the TLO was not mentioned in the old IPR policy.</i></p> <p>ARTICLE 9 (3) (N). "PROMOTE A CULTURE OF INNOVATION AND ENTREPRENEURSHIP COMPANY FORMATION"</p>	<p><i>Technology Transfer Act of 2009, Article III, Section 8 (k) which encourages the formation of spin-out companies by RDIs. It states.</i></p> <p>"When necessary create and establish spin-off companies to pursue commercialization subject to their respective mandates as allowed by law "</p>	<p>In many instances, establishment of a spin-off company is the best route to bring a technology to market, as well as a preferred way to maximize return on investment. This is with full regard to the University's responsibility of providing the public with reasonable access to the technology or invention.</p> <p>It is also a mechanism by which the university can deload itself of having to manage a huge portfolio of intellectual property.</p>

Q. Appointment of Faculty

Note: These proposed appointments have gone through the standard University peer review process from the Department to the College, the Constituent Universities concerned, and the University System. In cases where there was doubt about the process followed or about the fairness of the recommendations, the papers were returned to the unit concerned for review and recommendations.

1. Transfer to Permanent Status

UP Diliman

- a. **Prof. AGUSTIN L. ARCENAS** as Associate Professor 1 (Salary Grade 22-4), School of Economics, effective upon approval
- b. **Prof. WENDELL Q. CAMPANO** as Assistant Professor 2 (Salary Grade 19-1), School of Statistics, effective upon approval