

**HEC MONTRÉAL**

**Politique de propriété  
intellectuelle (extrait)**  
**Intellectual Property  
Policy (excerpt)**

**Adoptée par le Conseil pédagogique**

**Le 4 juin 2003**

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### **3.5 Disclosure to HEC Montréal of university products that can be protected by copyright, patents, industrial design or in other ways; commercialization and sharing of commercialization benefits and revenue**

#### ***3.5.1 Copyright***

Regarding university products whose copyright is held by HEC Montréal, as an employer, under the Copyright Act, HEC Montréal assigns its copyright to such products to the researchers it employs who have made a significant intellectual contribution to the university products, without warranty of any kind, and thereby waives its right to the resulting commercialization benefits and revenue. This assignment and waiver are done by HEC Montréal subject to the paragraphs contained in the present subsection, notably including the user's license and prior conditions for any assignment and waiver.

Copyright of researchers not employed by HEC Montréal, such as unpaid students, remain the researchers' property, unless stipulated in a written agreement to the contrary with HEC Montréal.

Despite the assignment and waiver foreseen above, HEC Montréal retains a free, perpetual and worldwide license to use the products for teaching, research and continuing education purposes, which notably includes the right to translate or adapt a work or reproduce it on any medium and in any form, including multimedia platforms and the Internet. However, this license is subject to the restrictions appearing in all licenses granted to HEC Montréal by all copyright owners' societies.

Assignment and waiver by HEC Montréal to its researchers are conditional on the following:

- a. All researchers, including students, who have made a significant intellectual contribution to the work must have agreed among themselves in writing on the recognition of their respective rights and the conditions for sharing the commercialization benefits and revenue.
- b. If the researchers made significant use of HEC Montréal resources to create the work and if the researchers want to commercialize the work in question or examine the feasibility thereof, the researchers must then disclose the university product to HEC Montréal, in which they state their desire to commercialize the product along with information regarding the HEC Montréal resources used. This disclosure of a University product must include at least the information foreseen in Appendix B attached to this policy, along with any other information deemed necessary by HEC Montréal or its representative.
- c. HEC Montréal must be reimbursed or an arrangement must be made to this effect with

HEC Montréal, for all expenses resulting from considerable use of HEC Montréal resources.

- d. There should be no subsequent use of HEC Montréal resources by researchers following the assignment and waiver, during the commercialization of the work, except where this has been agreed otherwise in writing between HEC Montréal and the researchers.

There will be no assignment to researchers who require that HEC Montréal and/or its representative commercialize the work and agree thereto. The particular conditions are then specified in writing between HEC Montréal and the researchers.

Notwithstanding the foregoing, all copyrights resulting from any publication or teaching materials that result from a particular order by HEC Montréal made to researchers that it employs remain the property of HEC Montréal. Regarding unpaid researchers at HEC Montréal, such products also remain the property of HEC Montréal as confirmed in writing at the time of the particular order. Researchers shall formerly waive their attached moral rights in writing.

Notwithstanding the foregoing, in the case of contractual research conferred by an external third-party on HEC Montréal, the copyright shall also remain the property of HEC Montréal or of the third party that conferred the contractual research on HEC Montréal, as stipulated in the contract. The execution of any part of the research by a researcher must be foreseen in a contract between HEC Montréal and this third-party, and all of the funds payable for the execution of any part of this researcher's contract, either directly or indirectly, either personally or to a spin-off company with which the researcher is associated or in which the researcher holds shares, equity or interest, or where the researcher actively works, will be paid in keeping with the contract provisions.

University products that can be protected by copyright, including publications and teaching materials, cannot be used by researchers to compete with HEC Montréal in its teaching, research and continuing education activities.

If any university product is likely to be protected both by copyright and in the way foreseen in Section 3.5.2 below, the principles foreseen will then be applied, and the copyright will be treated according to the same rules foreseen.

### **3.5.2 Patentable Inventions, industrial designs, technological innovations and expertise**

Concerning university products that can be protected by patent or industrial design and/or that constitute, full or partly, a technical innovation or expertise (which may also include copyright associated with this university product), the intellectual property is initially joint between HEC Montréal and the researchers, and remains joint until the researchers decide to proceed with commercialization or not. The researchers are obliged to disclose to HEC Montréal any university product that they plan to commercialize or examine the feasibility thereof. It is therefore through this disclosure of the university product that the researchers shall bring the subject of this co-ownership to the attention of HEC Montréal.

This disclosure of a university product to HEC Montréal must be made by the researchers according to the conditions foreseen in this policy, and must include at least the information foreseen in Appendix B attached to this policy, along with any other information deemed necessary by HEC Montréal or its representative.

As soon as HEC Montréal or its representative formerly undertakes the commercialization process or signs an agreement to this effect, the researchers shall assign their share of ownership without thereby waiving their share of the commercialization benefits and revenue. Conversely, if HEC Montréal waives the right to exploit the intellectual property or does not proceed within a reasonable time frame, it is obliged to transfer its share of the right to the researchers if they so request, without thereby waiving its share of the commercialization benefits and revenue. The distribution of the future commercialization benefits and revenue between HEC Montréal and the researcher(s) must then be specified in a prior written agreement that abides by the principles of this policy.

In case of multiple researchers, the researchers shall divide the global share of the commercialization benefits and revenue owed to them, determined according to the rules of this policy, notably and without limiting the generality of the foregoing, according to the significant intellectual contribution and to the role, if applicable, of founding and non-founding researchers in any spin-off company related to the commercialization, in the proportions foreseen in the particular agreement concluded by the researchers. If there is no particular agreement among the researchers, it is presumed that the division will be equal. In case of dispute, the question will be submitted to the Director of Knowledge Transfer and subject to the mediation and arbitration process foreseen in this policy, if applicable.

The particular agreement between researchers must be communicated at the time of disclosure of a university product. If there are co-researchers from different research institutions, the share will first be divided among the institutions proportionately with the intellectual contribution of the researchers in each

institution. Subsequent sharing between each institution and its own researchers will be subject to the specific policies prevailing at each institution.

HEC Montréal reserves the right to confer its responsibilities under the present policy regarding the commercialization of university products on a representative. By considering the commercializable nature, the commercial potential and legal protection modes of the university product that HEC Montréal or its representative evaluates, the representative must, within a reasonable time, exercise an option regarding the responsibility to commercialize the university product. This option, which must be set forth in writing, may be chosen from among the following possibilities:

- a) HEC Montréal or its representative assumes responsibility for commercialization, in which case the researchers undertake to promptly collaborate with HEC Montréal and its representative and to take any actions required to give full effect to the obligations of HEC Montréal and/or its representative toward third-party users;
- b) HEC Montréal or its representative does not assume responsibility for commercialization as foreseen in paragraph a) above or does not proceed within a reasonable time, in which case HEC Montréal shall defer to the researchers, who, whether they choose to commercialize the university product or not, remain bound by the obligations of disclosure and communication as stated in this policy. If the researchers wish to commercialize the product without transferring the intellectual property rights in keeping with paragraph c) below, they may obtain a written mandate of commercialization from HEC Montréal but may not use the resources of HEC Montréal to commercialize the product unless they have entered into a written agreement to the contrary with HEC Montréal;
- c) HEC Montréal or its representative does not assume responsibility for commercialization as foreseen in paragraph a) above or does not proceed within a reasonable time, in which case HEC Montréal must, upon request by the researchers, transfer the intellectual property rights to the researchers. The distribution of the commercialization benefits and revenue shall be specified in a prior written agreement between HEC Montréal and the researchers. The researchers may not use the resources of HEC Montréal to pursue research and/or commercialization activities involving the transferred product, unless they have entered into a written agreement to the contrary.

In all cases, including independently of any commercialization or transfer to the researchers, HEC Montréal retains a free, perpetual and worldwide license to use the product for teaching, research and continuing education purposes.

In all cases, HEC Montréal must be reimbursed or an arrangement must be made to this effect with HEC Montréal for all expenses resulting from considerable use of the resources of HEC Montréal.

All intellectual property and the commercialization benefits and revenue resulting from a particular order by HEC Montréal made to researchers it employs are the property of HEC Montréal. Regarding unpaid researchers at HEC Montréal, such products also remain the property of HEC Montréal as confirmed in writing at the time of the particular order.

**Sharing of commercialization benefits and revenue when HEC Montréal, or its representative, assumes responsibility for commercializing the university product**

Sharing between HEC Montréal and the researchers collectively is established as follows:

- 50% for the researchers collectively
- 50% for HEC Montréal

When an external third-party injects resources in a product, it may claim a share of the commercialization benefits and revenue, thus diluting the share of the researchers and of HEC Montréal.

When a university product results from the research activities of researchers associated with different institutions, the respective share of each institution must first be determined according to the significant intellectual contribution of researchers, followed by an internal sharing concerning HEC Montréal as mentioned above. Any other institution must foresee its own rules for internal sharing with its own researchers.

In the case where a researcher is involved in the activities of a research centre, a centre for excellence and/or a network of centres for excellence, or any other research institution, the distribution of the commercialization benefits and revenue shall be subject to the terms and conditions of the agreement between HEC Montréal and the institutions concerned in force at the time of disclosure of the university product or, in the absence of such agreement, to negotiation between the institutions concerned. The respective share of the researchers is determined in keeping with the present policy and communicated to the Director of Knowledge Transfer.

In the case of spin-off companies, the distribution of commercialization benefits and revenue, including royalty revenues, dividends and distribution of equity between HEC Montréal and the founding researchers involved in the spinoff company, must be stipulated in a written agreement to this effect.

**Sharing of commercialization benefits and revenue when HEC Montréal, or its representative, does not assume responsibility for commercializing the university product**

In the case of the transfer of the commercialization of a university product by HEC Montréal to researchers or when HEC Montréal retains its share of the intellectual property but grants the researchers a commercialization mandate, the share of commercialization benefits and revenue paid to HEC Montréal by written agreement with these researchers shall not be less than 15%.

#### **4. PRINCIPLES REGARDING STUDENTS**

Regarding students (which include postdoctoral fellows by definition) the following principles are applied by HEC Montréal, notably under the *Action Plan*:

##### **Principle of equity and probity**

HEC Montréal considers students to be full members of the university community, and in this respect HEC Montréal recognizes that students have the same rights, obligations and responsibilities as other researchers in intellectual property, notably and without limiting the generality of the foregoing, to rights as author (co-author), creator (co-creator) and/or inventor (co-inventor), and the right to an equitable share of the commercialization benefits and revenue of a university product for which the students have made a significant intellectual contribution as researchers. The determination of the students' significant or secondary intellectual contribution shall be done in the same way as for any other researcher, namely in accordance with Section 3.1, and must be recognized on its own merits by the means deemed appropriate by HEC Montréal.

Conversely, students have the responsibility and duty to recognize on their own merits by the means deemed appropriate by HEC Montréal all contributions made to their study and research projects leading to the writing of a thesis, dissertation, written works (e.g. articles, teaching case studies) or to the presentation of papers by their professor, research director or other researchers.

##### **Principle of respect for the training process**

HEC Montréal is aware that students are first and foremost engaged in education requiring learning, notably and without limiting the generality of the foregoing, to research projects that must be evaluated in view of their promotion and graduation, with equity and probity. HEC Montréal is also aware that postdoctoral fellows who contribute to research activities are pursuing an internship intended to acquire more specialized or complementary research expertise and in this sense are in development.

HEC Montréal encourages, in accordance with the principles of equity and probity, communication of

students' research results, be they collective or individual, because not only does this communication allow the students to acquire credibility as future researchers, but also serves to rebuild its own renown and that of the co-researchers. Consequently, the submission of a student's thesis or dissertation must occur within the time frames foreseen in the academic policies, standards and rules of HEC Montréal, including those of the Academic Programs Director. HEC Montréal undertakes, as much as possible, not to sign any agreement, notably including any nondisclosure and/or confidentiality agreement with external third parties or spin-off companies, that would preclude the students' right to publish their research work as part of their program activities and to submit, for evaluation and advancement purposes, their thesis or dissertation by the specified deadlines.

If this cannot be avoided, the Academic Programs Director in concert with the Director of Knowledge Transfer may authorize a delay in publication and submission of the thesis or dissertation for a reasonable period, providing that HEC duly informs the student in advance in the manner foreseen below.

If the publication of the thesis or dissertation is not delayed beyond a reasonable time, HEC Montréal shall then negotiate the necessary arrangements with the third-party or spin-off company, depending on the case, such that sensitive elements of the thesis or dissertation covered by a nondisclosure and/or confidentiality agreement can be made accessible in a limited way to jury members, within a clearly specified time frame, providing the jury members sign a confidentiality agreement. The student shall be informed thereof in advance in the manner foreseen below.

The makeup of the jury that reads and evaluates the students' thesis or dissertation must abide by the policies, standards, rules and regulations in force at HEC Montréal and provide an objective, fair and equitable evaluation.

### **Duty to inform the student**

Students have the right to information regarding the policies, standards, rules and regulations of HEC Montréal, and the information they require to pursue their education. Students also have the right to information concerning any decision regarding them that has direct effects on the pursuit of their study program, research project and participation in research activities. Students must be informed of the advisory, mediation and arbitration mechanisms put in place by HEC Montréal. Students must also play an active role and are obliged to keep informed about HEC Montréal.



Therefore, students must be clearly informed by their research director when they choose their research subject or choose to participate in research activities, notably and without limiting the generality of the foregoing, as part of a particular order, contractual research or a project related to spin-off company, of all rights and obligations along with conditions and restrictions on their participation, including any nondisclosure and/or confidentiality agreement that has consequences regarding when they can receive their diploma or concerning publication of their work, including a thesis or dissertation.

It is only after being clearly informed by their research director that students can choose to give their free and informed consent and, if applicable, undertake in writing to comply with the obligations, conditions and restrictions that apply to them, along with the commitments made by HEC Montréal and their research director, or refuse to undertake a research project or research activities proposed.

No assignment of rights to a professor or company with which the professor is associated or in which the researcher holds shares, equity or interest, or where the researcher actively works, may be required from the student, unless upon approval by the Director of Knowledge Transfer, who will confirm the merits of the request and the student's free and informed consent.