UNIVERSITY OF THE PHILIPPINES INTELLECTUAL PROPERTY RIGHTS POLICY AS AMENDED

UNIVERSITY OF THE PHILIPPINES

INTELLECTUAL PROPERTY RIGHTS POLICY
AS AMENDED

(incorporating amendments made on the 1270th Board Approved Issuance last September 29, 2011 and 1322nd Board Approved Issuance last November 24, 2016, and currently proposed amendments)

UNIVERSITY OF THE PHILIPPINES INTELLECTUAL PROPERTY RIGHTS POLICY AS AMENDED

ARTICLE 1

COVERAGE

(1) *Personnel Covered* – This policy shall apply to all faculty members, researchers, students, staff and visiting professors undertaking research and/or creative activities pursuant to any program, project, grant or contract under the auspices of the university.

(2) *Matters Covered* – This policy shall cover all research and/or creative activities, tangible research properties or outputs with or without patent or copyright protection, whether for commercial or non-commercial purpose, undertaken using any university resource and including all technology transfer arrangements. Spin-offs are also included in the coverage of this policy.

(3) *Rights Covered* – This shall cover all types of intellectual property rights recognized under Philippine laws such as the Intellectual Property Code as amended and the Plant Variety Protection Act as well as applicable laws of other states.

(4) *Other Intellectual Property Rights* – This policy does not comprehensively cover guidelines for fair use of intellectual property rights owned by the university, university personnel or third parties.

(5) *Definition of Terms* - Whenever used in this policy, the words or terms below shall have the meaning indicated:

  a. Spinoff - A juridical entity that is an independent business technology taker with a separate legal personality from the GFA, RDI and researcher created through the initiative of the researcher-employee who generated the technology.
  b. Technology Business Incubator (TBI) - A facility where spinoff and other start-ups are hosted and business development services, such as but not limited to entrepreneurship training, office space, and other resources, are provided.
  c. Technology Business Incubation - A process of nurturing

business start-ups in techno-enterprise as well as an ecosystem where innovation is promoted and supported towards commercialization.

d. Royalty- the term royalty as used in this Policy is understood to mean royalty as defined by the Philippine Technology Transfer Act of 2009 (R.A. 10055) and Magna Carta for Scientists, Engineers, Researchers and other Science and Technology personnel in the Government (R.A. 8439) and its Implementing Rules and Regulations and shall be net of applicable taxes, without prejudice to the provisions of RA 10963."

e. Cost Recovery- refers to the amount that the TTBDO can recover from the revenues of technology transfer of the University, of all reasonable, necessary, and verifiable expenses incurred in the protection, development, marketing, negotiation, licensing, assignment, spin-off formation, and other modes of commercialization of technologies arising from the University. Such recoverable costs may include, but are not limited to:

   (a) intellectual property protection costs, including filing, prosecution, maintenance, translation, and renewal fees for patents, utility models, industrial designs, trademarks, and copyrights;

   (b) legal, professional, and consultancy fees related to valuation, due diligence, negotiation, and documentation of technology transfer agreements;

   (c) costs for market studies, technology validation, prototyping, proof-of-concept activities, and regulatory compliance directly related to technology transfer;

   (d) marketing, promotion, and outreach expenses for technology offers, investor engagement, and industry partnering; and

   (e) administrative and operational expenses in support of the above activities.

f. Upfront Fee - It is a lump sum payment at the start of a license. Once a new industry partner has paid the fee, they become a licensee. It reflects the value of the technology prior to the implementation of the licensing agreement.

g. Milestone Payment - a defined payment amount associated with the completion of a particular deliverable or set of deliverables.

h. Conditional Licensing Agreement - An agreement which takes effect upon the occurrence of a future event. If the event does not happen the agreement will not be implemented.

i. Option Licensing Agreement - An agreement which gives the licensee the exclusive right to negotiate and enter into a long-term licensing agreement for products or services owned by the licensor.

* The Intellectual Property Rights Policy of the University of the Philippines was approved and confirmed by the Board of Regents during its 1269th Meeting held on 3 June 2011.

ARTICLE 2

GENERAL PRINCIPLES

(1) University resources should be used for university purposes and not for personal gain or personal commercial advantage nor for any other non-members as owners of inventions, works and other intellectual creations they produce without the use of university and/or third party funding and without the use of substantial university and/or third party resources, which are resources that are not ordinarily available to all faculty for traditional academic purposes which includes teaching, research and extension work.

(2) The university encourages the faculty's full freedom in research and in the publication of their results subject to the adequate performance of their other academic duties.

(3) The university acknowledges that its efforts to generate income should be weighed against its principal responsibility to provide a favourable environment to explore knowledge for the benefit of the public in general.

(4) The university accepts that in some cases, the recognition of intellectual property rights of authors and inventors are effective ways to ensure accountability and accessibility of knowledge and technologies.

ARTICLE 3

RULES OF CONSTRUCTION

Nothing in these rules shall be construed –

(1) To prevent the university administration from implementing rules relating to the enforcement of academic standards that deter and penalize plagiarism and dishonesty;

(2) To alter existing university policy affecting conflict of interest

including guidelines for outside teaching activities or practice of profession;

(3) To limit the university's ability to negotiate and to meet the obligation for deliverables under any contract, grant, or other arrangements with third parties, including sponsored research agreements, collaboration agreements, license agreements and the like, if these terms are more beneficial to meet the purposes and principles of these guidelines;

(4) To limit the interpretation of the Code of Ethics for Faculty as approved by the Board of Regents in its 1129th meeting on 25 February 1999; and

(5) To interfere with the discretion of editorial boards, textbook committees, technical review panels and the like to publish works.

ARTICLE 4

COPYRIGHTS

(1) *Works Covered* – all literary, artistic and derivative works collectively referred to in this policy as "works" as defined in sections 172 and 173 of the Intellectual Property Code of the Philippines including course materials for e-learning and distance education, regardless of format in which it was created or produced, shall be covered by these rules on copyright.

(2) *Ownership of Copyright* –

(a) General Rule – Copyright of all works shall remain with the creator except as may be otherwise provided in these rules.

(b) When copyright must be assigned to the university – Subject to the provisions of existing laws such as the Intellectual Property Code of the Philippines and the Philippine Technology Transfer Act of 2009, creators shall disclose the existence and assign copyright over the following works of the university in accordance with contractual stipulations, the implementing rules and regulations of the Philippine Technology Transfer Act of 2009, these rules and the implementing rules that may be promulgated by the Office of the President:

i. Works that are produced through research and development funded by any Philippine government agency or instrumentality, or government-owned and –controlled corporation from government appropriations and those sourced from government managed official development assistance funds;

ii. sourced from government managed official development assistance funds;

iii. Works supported by a specific allocation of university funds or substantial university resources other than the usual salary and resources made available to every faculty, researcher, student or staff;

iv. Commissioned works or those works created at the direction and control of the university through its officials or designates for a specific project or purpose;

v. Works whose authorship cannot be attributed to one or a discrete number of authors despite the application of processes prescribed under these rules; and

vi. Works whose authorship cannot be attributed to one or a discrete number of authors because it is the result of simultaneous or sequential contributions over time by multiple authors.

(3) *Waiver of Copyright Ownership by the University –*

(a) In the case of works mentioned in Article 4 section 2(b) above and works of joint ownership with the university, the university through its designated officials may waive copyright in favor of the creator if all of the following conditions are met:

i. The waiver would enhance the transfer of technology or improve the access to the works by the public in general;

ii. The waiver does not violate any existing contractual obligation to third parties; and

iii. The participation of the university in the work is acknowledged by the creator in all publications of the work, whether local or international.

(b) If the university is unable or has decided not to publish or exhibit the works mentioned in Article 4 section 2(b) within one year from its disclosure, its copyright is automatically waived in favor of the creator provided that no contractual obligations or rights of third parties will be violated. The one-year period may also be provide that no contractual obligations or rights of third parties will be violated. The contribution of the university shall be duly acknowledged in all publications or exhibitions of the work.

(4) *Collaborative Works Among Institutions* – Subject to the provisions of the Philippine Technology Transfer Act of 2009 and Article 4 section 2(b) above, and absent any contractual stipulation to the contrary, if the work is the result of collaborative efforts between the university, an outside entity and the creator/s, the copyright shall be jointly owned by the university, the creators and the outside entity.

(5) *Determination of Authorship in Cases of Contributed Efforts* –

(a) In the case of works resulting from the contribution of efforts coming from different persons, authorship, whether sole or collaborative, shall be determined as follows:

i. By contractual stipulation;

ii. By application of the rules for joint, primary and sole authorship as determined by a publication for which the work was intended; and

iii. Through alternative modes of dispute processing including mediation and arbitration to be facilitated by the Office of the Vice Chancellor for Academic Affairs, if the work originated from the efforts of faculty, research staff and students in a single constituent university, or by the Office of the Vice President for Academic Affairs if otherwise.

(b) Only in the event of failure of any of these modes of dispute resolution may a conflict pertaining to the authorship or copyright of a work be referred for legal action.

ARTICLE 5
INVENTIONS

(1) *Inventions Covered* – All inventions which may be, or may relate to a product, process, intangible assets such as drug targets and biomarkers, platform technology or an improvement of any of the foregoing,

whether or not patentable, including utility models, layouts of integrated circuits, industrial designs and new plant varieties referred to in this policy as inventions, shall be covered by these rules.

(2) *Ownership of Inventions* –

(a) General Rule – Except as otherwise provided in these rules, patent right and/or other rights related to the invention such as undisclosed information or know-how shall belong to the inventors.

(b) *University Ownership of Inventions* – Subject to the provisions of existing laws such as the Intellectual Property Code of the Philippines and the Philippine Technology Transfer Act of 2009, inventors shall disclose the existence and assign patent rights and other related rights such as undisclosed information or know-how pertaining to the following inventions to the university in accordance with contractual stipulations, the implementing rules and regulations of the Philippine Technology Transfer Act of 2009, these rules and the implementing rules that may be promulgated by the Office of the President.

i. Inventions that are produced through research and development funded by any Philippine government agency or instrumentality or government-owned and –controlled corporation from government appropriations and those sourced from government-managed official development assistance funds;

ii. Inventions supported by a specific allocation of University funds or substantial university resources other than the usual salary and resources made available to every faculty, researcher, student or staff;

iii. Inventions produced by an employee as a result of the performance of his or her regularly assigned duties;

iv. Commissioned inventions produced at the direction and control of the University in pursuit of a specific project or purpose regardless of the source of funding; and

v. Works whose inventorship could not be attributed to one or a discrete number of inventors despite the application of processes provided in these rules.

(3) Inventions Funded by Outside Entities –

(a) Subject to the provisions of the Philippine Technology Transfer Act of 2009, in the event that funding for the research and creation of the invention is sourced by the university, wholly or partially, from outside entities, the university shall negotiate with the funding entity with respect to the ownership of the invention, patent rights and royalty sharing subject to confirmation by the Board of Regents. The agreement shall bind all parties including the inventors.

(b) In default of a negotiated agreement, all patents to inventions the research funds were sourced from or by the university shall be owned by the university.

(4) Waiver by University of Rights to Patent –

(a) In the absence of existing contractual obligations to third parties, the university may release patent rights to inventors if all the following conditions are met –

i. The university elects not to file a patent application as when the invention does not appear to be commercially viable and the inventor is prepared to do so;

ii. The waiver would facilitate the transfer of technology or its access to the general public; and

iii. The equity of the situation clearly indicates that such release should be given.

(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. The university may also impose other conditions for the grant of the wavier 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.

(5) *Collaborative Efforts between Institutions* – Subject to the provisions of the Philippine Technology Transfer Act of 2009 and Article 5 Section 2 above, and absent any stipulation to the contrary, if the invention is the result of collaborative efforts of the university, an outside entity and the creator/s, the patent and other related rights over said invention shall belong in joint ownership among the university, the inventor/s and the outside entity.

(6) *Modes for Processing Disputes Related to the Inventorship and Patent Rights* – conflicts pertaining to inventorship, patent and other related rights, shall be resolved through alternative modes of dispute processing including mediation and arbitration to be facilitated by the Office of the Vice Chancellor for Academic Affairs if the persons contributing their efforts belong only to one constituent university, or by the Office of the Vice President for Academic Affairs if otherwise. Only in the event of failure of any of such modes may such conflict be the subject of court action.

ARTICLE 6

OTHER INTELLECTUAL PROPERTY RIGHTS

(1) *Trade and Service Marks* – Trade and service marks are distinctive words or graphic symbols identifying the sources, product, producer, or distributor of goods or services. The university shall own trade or service marks relating to goods or services distributed by the university. These include names and symbols used by the university in conjunction with its computer programs or university activities and events.

(2) *Protection of Undisclosed Information* – While the university's mission is to transfer knowledge and technology for the benefit of the public, it may resort to the protection of undisclosed information in any of the following and other similar instances:

(a) The protection is necessary in order to comply with contractual stipulations or to pursue an academic research project to its completion;

(b) The information being protected is necessary in order to protect intellectual property rights of the university on an invention; and

(c) Upon the determination of the President, circumstances are such that well defined interests of the general public will better be protected by claiming legal protection of information or technology as "trade secrets".

(3) Subject to the provisions of applicable laws such as the Philippine Technology Transfer Act of 2009 and contractual stipulations, Tangible Research Property (TRP) or research results which are in a tangible form (i.e. integrated circuit chips, computer software, biological organisms, engineering prototypes, laboratory notebooks or logbooks) which cannot be the subject of any other kind of intellectual property protection are presumptively owned by the university.

ARTICLE 7

THESES AND DISSERTATIONS

(1) A student shall own the copyright of his/her thesis/dissertation subject to the provisions of applicable laws such as the Philippine Technology Transfer Act of 2009, the provisions of this policy as well as any agreement(s) with the university and/or external parties. In order to enable the university to perform its mission of transferring knowledge and technology for the public benefit, the student shall grant to the university a non-exclusive worldwide, royalty free license to reproduce, publish and publicly distribute copies of said thesis/dissertation in whatever form subject to the provisions of applicable laws, the provisions of this policy and any contractual stipulations.

(2) In the event a thesis/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. In the event that the university waives its right to the invention as provided under this policy as the inventor is willing and able to comply with the condition, among others that may be imposed by the university, to file a patent or other applicable intellectual property application for the same, the inventor may request the department, institute or college to withhold public access to said thesis/dissertation or to the defense proceedings pertaining to said invention.

ARTICLE 8
COMMON PROVISIONS

(1) *Waivers and Authorities –*

(a) Except in cases of failure to publish or failure to file an application for a patent, all waivers of ownership of intellectual property rights shall be confirmed by the Board of Regents upon recommendation by the President of the university. The President of the university is authorized to delegate his/her responsibilities to any of his/her Vice Presidents or to his/her Chancellor based on his/her own judgement of what will be efficient and effective for a given constituent university.

(b) The President of the Chancellors shall periodically report to the Board of Regents the intellectual property rights owned by the university which are impliedly waived immediately upon their discovery.

(2) *Royalty Sharing* – The author/s, inventor/s or creator/s shall receive 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.

The remaining sixty percent (60%) share of the University, prior its partition, shall first deduct the expenses accrued by CU-TTBDO, provided that any utilization of funds from the share of one unit to offset intellectual property costs of a different unit requires policy approval at the CU level. Such approval will support the sustainability of the operations of the CU-TTBDO in view of variations of royalty income from different IP despite having fixed costs in the supporting activities. The above CU policy approval requirement also provides the flexibility needed to accommodate the different situations in each CU. These expenses cover various costs such as intellectual property fees for all UP IPs under the office's assistance, fees related to pre-commercialization and commercialization activities, and other operational expenses essential for fulfilling its mandate effectively, without prejudice to the provisions of Technology Transfer Act of 2009 and other relevant laws.

Nothing in this guideline shall limit the flexibility allowed for CU TTBDO in dispersing their royalty share according to their preferred mechanism, based on their circumstances, unless otherwise in contravention of the royalty scheme guideline provided.

The sharing scheme will be as follows:

1. The First Tranche of Php 200,000 of the royalties will be remitted to the Author(s), inventor(s), or creators, which shall be taken from their 40% share on the royalties;
2. The Succeeding royalties will be used as Cost Recovery for the CU TTBDO as defined herein to cover the cost on IP fees, commercialization, pre-commercialization, and the operational cost incurred by CU TTBDO, which shall be taken from their 15% share on the royalties; The annual cap on cost recovery for any given year shall be the higher of:

   (a) Two Million Pesos (₱2,000,000.00);

   (b) the royalty share of the CU TTBDO for the preceding year; or

   (c) the average annual royalty share of the CU TTBDO for the immediately preceding six (6) years.

3. Thereafter, the amount in excess of the Cost Recovery of CU-TTBDO plus the Php 200,000 royalty given to the inventor shall be distributed to the rest of the beneficiaries in accordance with their respective share in the royalties, which is illustrated in the table below.

	1st Tranche (Php 200,000)	**2nd Tranche (Cost Recovery)**	**Excess of Php 200,000 + Cost Recovery of TTBDO**	**Intended Use**
Author(s),	100%		40%	Incentive for the

Inventor(s), or Creator(s)				Inventors
UP System TTBDO			12%	IP Management and Technology Transfer Cost
CU Admin			6%	For the improvement/operations of laboratories and other common facilities
College or National Institute of the author(s), inventor(s), or creator(s), including the non-academic institutions			12%	IP Incentive, R&D funding and support services
Institute / Department of of the author(s), inventor(s), or creator(s),			15%	IP Incentive, R&D funding and support services
CU-TTBDO		100%	15%	IP management cost and expenses
TOTAL	100%	100%	100%	

In the case of units which are not part of degree granting colleges, the share of the college above shall go to the mother institution of that unit, or to the CU administration if there is no other mother institution.

Notwithstanding the above provisions on royalty sharing, a CU may, subject to approval of their University Executive Committee, waive, in whole or in part, the shares of one or more CU stakeholders entitled to royalty in favor of the cost recovery of the CU TTBDO. Such waiver shall be made in writing, limited in scope and duration to the extent necessary to fully or partially recover the documented commercialization costs incurred by the TTBDO, and not be construed as a permanent forfeiture of royalty rights beyond the agreed waiver period or amount. Any waiver executed under this provision shall be applied solely to cost recovery and shall not create a precedent affecting future royalty distributions for other technologies or stakeholders. Moreover, if such a waiver is approved, when computing the cap on cost recovery as provided in 2(b) and 2(c) above, the "royalty share of the CU TTBDO" shall include the shares of the CU stakeholders covered in the waiver.

Subject to the foregoing limitations, amendments to royalty sharing may be effected retroactively on the royalty shares for technologies involving Institutes/National Institutes that are not yet disbursed.

(3) *Upfront, Milestones and Other Payments* – Upfront fees from licensing shall be used to defray the costs of the TTBDO in technology transfer. Determination of the sharing of revenues from IP commercialization agreements, other than royalties, milestones and other similar payments, which shall be governed by the section above, such as, between the U.P. System, the constituent university and inventors, authors or creators 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.

All other expenses such as administrative costs, filing fees, costs relating to the production, distribution, advertising, maintenance and similar expenses of the work or invention shall be for the account of the constituent university TTBDO and shall be taken from its share in the royalties and other payments. In the disposition of any royalty income accruing to the university from copyrights or patents, first consideration shall be given to support research activities.

If the university receives shares in a company as consideration for any intellectual property commercialization agreement, the shares the university obtains will be held by the university and the proceeds from the liquidation of the shares shall be distributed to the author(s)/inventor(s)/creator(s) according to the same ratio above. An author/inventor/creator may also request to hold his/her portion of the share in his/her own name, in which case such inventor shall no longer be entitled to any proceeds from the liquidation of the remaining shares by the university.

The share of the university in the royalty and other revenues mentioned above shall be constituted as a revolving fund for use of the university, deposited in an authorized government deposit bank subject to accounting and auditing rules and regulations. Said revolving fund shall be used to defray intellectual property management costs and expenses including professional fees and to finance research and development, science and technology capability building and technology transfer activities, including operation of technology licensing offices. Provided that no amount of said income shall be used for payment of salaries, bonuses and allowances.

(4) *Portability of Shares* – Shares in royalty and other revenues such as upfront, milestones 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; provided further, that said creator(s)/inventor(s) have not been dismissed from the university because of violation of provisions of this policy (e.g., selling or compromising university trade secrets). The department/institute from which the invention originated shall also continue to receive its shares in royalty and other payments.

(5) *Use of Copyright, Patents and other Intellectual Property Rights of the University* – Pursuant to its public function, the university shall not enter into any kind of contractual arrangement that would deter the public in general from having reasonable access to the works or inventions. 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 discovery and development).

(6) University Contracts –

(a) All contracts for research and the production of creative works, regardless of source of funding, should include provisions for ownership of intellectual property rights and resulting tangible materials, means for the determination of authorship as well as processes for settling disputes on authorship or inventorship.

(b) No allocation of funds from the university shall be made for research and the production of creative works unless the same are covered by contracts containing the provisions required under (a) above.

ARTICLE 9
TECHNOLOGY TRANSFER AND BUSINESS DEVELOPMENT OFFICE

(1) *Creation of the TTBDO* – To implement these rules, the existing Technology Licensing Office (TLO) under the Office of the Vice President for Development shall be named 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.

(2) *Composition of the TTBDO* – At the minimum, the TTBDO shall be composed of a Director who shall report directly to the Vice President for Research and Innovation, an administrative officer, at least 3 program development associates (PDA's) who may assume the role of technology assessment managers and/or business development managers (representing different industry sectors), legal counsel on intellectual property and/or corporate law, and administrative assistant(s). The functions of the TTBDO shall be performed by the Director. The PDA's shall assist the Director in the performance of such functions and the Director, in order to effectively carry out the mandate of the office, may delegate specific functions of the TTBDO to a PDA or PDA's.

(3) *Functions of the TTBDO* – The TTBDO shall have the following functions:

(a) Supervise the disclosures of all works created and inventions conceived or first reduced to practice by all university personnel;

(b) Facilitate the execution of agreements, affidavits, applications, complaints, and other documents relating to works and inventions necessary to facilitate the university's intellectual property rights;

(c) Coordinate with the appropriate legal office of the UP System or any of its constituent universities with respect to requests for the filing of cases to protect and enforce the university's intellectual property rights;

(d) Make deposits on copyright and file and prosecute the appropriate intellectual property applications including those for the protection of plant varieties on behalf of the university;

(e) Advise on the best stage at which a technology or invention should be out-licensed. This is with full regard to the university's responsibility of providing the public with reasonable access to the technology or invention while receiving a reasonable return on investment;

(f) Assist university researchers and business/other organizations seeking technology solutions by brokering licensing agreements, from initial negotiations to concluding contracts;

(g) Assist university researchers in in-licensing particular technologies required for commercializing their inventions and/or for product development;

(h) Assist university researchers in obtaining non-assert agreements, entering patent pools, negotiating royalty ceilings and floors and other business-to-business negotiations;

(i) Advise university researchers on the best route to market for a particular technology or invention. This can take the form of, among others: licensing, co-development, joint venture, university subsidiary or spin-off company;

(j) Negotiate with university faculty, researchers, staff and students with respect to the development of independently owned technologies after a determination of their commercial potential for purposes of registration, licensing, joint venture or other technology transfer arrangements;

(k) Assists in securing research collaborations with and funding from commercial enterprises;

(l) Assist in doing due diligence on the best partners for collaborative research and development, taking into consideration their expertise, product portfolio and priorities, track record, and financial status;

(m) Help leverage the university brand and specialist expertise across subject areas in securing consultancy contracts for faculty and staff. Corollary to this, the TTBDO shall ensure that university intellectual property is not compromised during the provision of consultancy services;

(n) Review and recommend, upon consultation with the appropriate units of the constituent universities, appropriate intellectual property policies for the university, including possible legislative initiatives in this area;

(o) Promote a culture of innovation and entrepreneurship in all U.P. campuses through the provision of training courses and seminars on intellectual property and invention disclosure, management of technology and innovation, company formation, technology valuations; and the conduct of business plan competitions, business surgeries, etc.; and

(p) Such other related and necessary functions in order to carry out the mandate of the office such as the issuance of primers, frequently asked questions and other similar documents regarding this policy and other intellectual property matters.

(q) Refer spinoffs to a business incubator, such as but not limited to the University's technology business incubator or any other business incubator.

(r) Work with the business incubator to assist in devising a comprehensive IP strategy aligned with the spinoff-incubatees business goals.

(4) *Request for Assistance* – the Vice President for Research and Innovation through the Chancellors may request assistance from any department or unit of the university that can provide expert advice on any trade or discipline that will be the subject of any patent application, litigation, evaluation of the commercial value of the work or invention or any aspect of the work of the Technology Transfer and Business Development Office.

(5) Relation to Other System Units –

(a) The Office of the Vice President for Legal Affairs of the UP System and the legal offices of the constituent universities shall have sole jurisdiction to prosecute and defend actions relating to the university's intellectual property rights. Legal interpretations of the university General Counsel of constitutional, statutory and university regulations shall be binding on the university unless overturned by the President of the university or the Board of Regents.

(b) The Office of the Vice President for Public Affairs shall have jurisdiction to lobby for or advocate any possible executive issuance or legislation.

(6) *Responsibility of TTBDO in Constituent University (CU-TTBDO)* - the CU TTBDOs shall comply with the following responsibilities:

(a) Submit the following documents to the System TTBDO:
- Annual Intellectual Property Database, including but not limited to Trade Secrets, Filing Status, Inventors/Creators, Filing Number, Date of Filing and other information which may be required by the System TTBDO in relation to Intellectual Property Assets, on or before the end of the first (1st) month of the Annual Calendar Year;
- Agreements made in connection with the commercialization of technologies and innovation arising from the University;
- Annual Financial Statements or Reports, including but not limited to the royalty collections and disbursements, operational cost, miscellaneous expenses and other information which may be deemed necessary by the System TTBDO to aid in resource planning, allocation, and utilization, and to generate data on royalty collections and disbursements across the UP System, on or before the end of the first (1st) month of the Annual Calendar Year ; and
- Other reports and documents which are deemed necessary to effectively perform the responsibilities and duties of the System TTBDO.

(b) Refer matters of conflict of interest for decision making and other appropriate actions to or seek the guidance of the System TTBDO, in the performance of their duty and obligations with the University; and

(c) Assist the System TTBDO in the conduct of activities and programs in relation to innovation and technology transfer through knowledge sharing and inclusion of their personnel in the pool of personnel required to efficiently and effectively perform said activities and programs.

(7) *Relation to Constituent Universities* – The TTBDO serves as an assisting and coordinating unit for the constituent universities on matters relating to intellectual property protection. Nothing in this policy shall prevent a constituent university from performing the functions mentioned in article 9 (3) subject only to system-wide coordination.

ARTICLE 10

SPIN-OFF

(1) Technology Business Incubator (TBI)

a. *Functions of the TBI* - The TBI shall have the following functions:

   i. Design and provide venture-related learning sessions (i.e. product and business development, systems thinking, design thinking, marketing strategy)

   ii. Provide opportunities for grants, funding and investments; and assist in grant writing proposals and applications

   iii. Provide specialized group and one on one mentorship with industry experts, investors, innovators and the internal team

   iv. Establish and nurture network support from internal and external stakeholders, such as but not limited to industry partners, partner laboratories, mentors, local and international constituent universities and technology business incubators in order to facilitate an innovative ecosystem

   v. Refer or inform the TTBDO of the potential IP arising from the research and development activities designed to absorb and adapt the Licensed Technology of the spinoff company.

   vi. Work with the TTBDO to assist in devising a comprehensive IP strategy aligned with the spinoff-incubatees business goals.

b. *Request for Assistance* - Administrators or staff of TBI's or other offices supporting TBI's (including but not limited to TTBDO's) may request assistance from any department or unit of the university that can provide expert advice on any trade or discipline that will be the subject of product and business development, systems thinking, design thinking, marketing strategy, mentorship, network support, evaluation of the commercial value of the work or invention or any aspect of the work of the Technology Business Incubator.

(2) Sources of Pre-Spinoff Funding - The University may provide assistance to the researchers of the underlying technology to advance their Research and Development activities, and improve the market validation of the technology. Additionally, funding for the spinoff itself may also be sourced from Local Government Units, Private Corporations, Government Owned and Controlled Corporations (GOCC), National Government Agencies (NGA), Non-Government Organizations (NGO), among others, with assistance from the TBI of the University.

ARTICLE 11
ADDITIONAL PENALTIES

Aside from penalties which may arise from the violation of any other law or university policy or guideline, any person/s found to have violated any of the provisions of this policy shall suffer the following penalties:

(1) Ineligibility for research grants from the university or any of its affiliated foundations for a period not to exceed five years;

(2) Automatic removal of research load credits and ineligibility to receive these benefits for a period not to exceed five years;

(3) Removal from any university administrative position and disqualification for any administrative position for a period not exceeding five years; and

(4) Ineligibility for outside teaching activities or the privilege to practice profession for a period not exceeding five years.

ARTICLE 12
REPEALING CLAUSE

This Policy expressly repeals the following policies approved by the Board of Regents:

(1) Policies, Rules and Regulations Governing Copyrightable and Patentable Works Produced by University Personnel approved during its 982nd Meeting;

(2) Creation of the University Intellectual Property Office approved during its 1109th Meeting;

(3) Creation of the Technology Licensing Office under the Office of the Vice President for Planning approved during its 1144th Meeting; and

(4) Governing Principles and Policies on Intellectual Property Rights of the University of the Philippines System approved during its 1171st Meeting.

All other university policies inconsistent with this policy are repealed accordingly.

ARTICLE 13

EFFECTIVITY

(1) *Conditions for Effectivity* – This policy shall take effect after

(a) An extensive information and education campaign to be led by the Office of the Vice President for Research and Innovation in coordination with the various system units and the Chancellors of the constituent universities, which shall commence no later than the first Monday of the month from the approval of this policy by the Board of Regents;

(b) The publication of this policy

i. In the web page of the University of the Philippines System

ii. In the University of the Philippines Gazette

iii. In the Forum or Newsletter or Collegian; and

(c) The deposit of the guidelines with the Office of the National Administrative Register at the UP Law Center.

(2) *Effectivity* – This policy shall take effect on 29 January 2026, as approved by the Board of Regents during its 1405th meeting.