

# Intellectual Property: Commercialisation - Procedures



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## Definitions

Please refer to the University's Intellectual Property - Governing Policy and Glossary of Terms for policies and procedures for terms and definitions used in these procedures. These are critical to its interpretation and effectiveness.

## 1. Purpose of procedures

This document sets out USC's procedures in relation to the commercialisation of intellectual property, other than USC teaching materials and from intellectual property not derived from research. It provides guidance to staff, students and invited scholars about the framework at USC for dealing with the commercialisation of intellectual property.

These procedures complement USC's Intellectual Property - Governing Policy and are compliant with the University's obligations under the National Principles of Intellectual Property Management for Publicly Funded Research.

## 2. What is commercialisation?

One of the primary functions of USC, as demonstrated by USC's learning and teaching activities, is that of community service. That function is also demonstrated by USC's objective in leveraging its research and scholarly endeavours to enable productive partnerships including the translation of research benefits for the benefit of the wider community.

The commercialisation of intellectual property is the process by which the outcomes of research at USC reach the community, for social, public good or monetary gain. Commercialisation is a complex and often lengthy process and requires commitment and diligence. There are a variety of pathways to commercialisation and numerous steps are involved in the process.

## 3. Why commercialise? – community benefit

Community benefit is often achieved by putting USC's research outcomes, the results of USC staff and students and or invited scholars innovation and inventiveness, into the public domain to achieve measurable impact. This is done via a number of mechanisms such as publication, policy change, knowledge transfer and industry adoption. As a result of this, the community is informed about, and is able to benefit from, USC's research outcomes.

In terms of industry adoption, this occurs when the innovation and inventiveness of USC's staff and students and invited scholars is disseminated into an industry or sector, and that industry or sector then adopts the new knowledge created.

However, for some research, commercialisation may not occur unless there is investment in the technology, to take technology into a market ready state. That investment is usually undertaken by an industry partner who is a collaborator, or an investor into a start-up company, or a licensee. For other disciplines of research, commercialisation may not occur unless USC partners with a commercial partner with the skills and resources to successfully commercialise.

Where community benefit can only be achieved by forming an alliance with an industry partner or investor, and that alliance does not occur, the results may be less than optimal. The technology may never reach a market ready state, or those skills and resources may not be accessed, and the community as a result may never benefit from USC's research outcomes in this particular area.

To achieve the community objective that the outcomes of USC's research be beneficial to the community, USC will facilitate and promote commercialisation of intellectual property, including by forming alliances with industry partners and investors.

Some examples of alliances with industry partners are:

- (a) granting a licence of Intellectual Property to a commercial partner to exploit intellectual property
- (b) entering into contract research agreements to undertake research at commercial rates

### APPROVAL AUTHORITY

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### RESPONSIBLE OFFICER

Deputy Vice-Chancellor (Research and Innovation)

### DESIGNATED OFFICER

Director, Office of Research

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### STATUS

Active

### RELATED DOCUMENTS

Intellectual Property - Governing Policy

### RELATED LEGISLATION / STANDARDS

National Principles of IP Management for Publicly Funded Research

[usc.edu.au/policy](https://usc.edu.au/policy)

(c) spinning out a start-up company into which intellectual property is licensed or assigned, and into which a venture capitalist or other investor makes an investment to fund research and development

(d) spinning out a company that becomes operational and trades, and pursues a business opportunity

(e) assigning Intellectual Property to a commercial partner.

#### 4. Why commercialise? – increasing USC’s resources

The process of commercialisation may therefore necessarily result in USC having relationships with industry partners. Often, these will be research relationships, where an industry partner will financially support research at USC.

If commercialisation is successful other financial returns may flow to USC including royalties or the benefits of a shareholding in a spin out company which will increase the sources of revenue for USC. This additional revenue may facilitate further research activity.

#### 5. Why commercialise? – rewarding innovation and inventiveness

Additionally, USC wants to personally reward staff and students whose inventiveness and innovation has resulted in successful commercialisation.

The Intellectual Property - Governing Policy sets out the framework for the distribution of commercialisation revenues to staff, students and invited scholars whose inventiveness and innovation has resulted in successful commercialisation.

#### 6. Won't Commercialisation impede publication?

USC acknowledges the interests of Staff, Students and Invited Scholars in publishing their research and seeks to facilitate the publication of that research, whilst respecting the rights of parties with whom USC has contractual obligations. In addition, USC seeks to foster the translation of research for broad community benefit, a process that may be facilitated through the protection of USC intellectual property.

USC acknowledges that best practice outcomes in commercialisation may be achieved if the University is consulted prior to disclosure of USC intellectual property having commercial potential.

Staff, students and invited scholars must not disclose USC intellectual property having commercial potential to third parties (including editors of publications and journals) unless they have advised the Office of Research in writing with reasonable notice to enable assessment.

#### 7.1 Who is a Creator

The Intellectual Property - Governing Policy provides the definition of a ‘Creator’ for the purposes of these procedures.

#### 7.2 The Role of Creator

Creators of intellectual property have a critical role to play in assisting in the management and commercialisation of intellectual property.

USC relies on its staff, students and invited scholars to play an active and dedicated part in the management and commercialisation of intellectual property, without which USC cannot achieve the community benefit objectives for which it strives.

#### 7.3 Expectations upon Creators

USC recognises that much of the University's research output will realise its community benefit role via publications that may not have commercialisation potential. However significant research output may also have commercial value. To maximise the commercialisation outcomes of this research for researchers, USC and the community, decisions should be made to protect and commercialise these outputs.

USC's expectation is that creators of USC intellectual property will help USC achieve the optimal community benefit able to be achieved for the intellectual property developed at USC to be meaningful and beneficial. The Office of Research will undertake education and training for staff, students and invited scholars to support them in realising these expectations.

USC's expectation is that creators of USC intellectual property will:

- (a) identify intellectual property that may have commercialisation prospects
- (b) disclose that identified intellectual property via forms available on the USC website
- (c) confer with USC on the timing of publications to ensure that publication and intellectual property protection may be achieved without either hindering the other
- (d) assist USC in the assessment, management, protection, and commercialisation of intellectual property
- (e) assist USC in inventorship, authorship and contributor determinations
- (f) ensure that USC is engaged in any process of application for patents
- (g) ensure that USC is involved in the engagement of any patent attorneys
- (h) work with patent attorneys engaged by USC, including preparing parts or drafts of patent specifications

- (i) assist USC in preparing other documents that will assist in the protection and commercialisation of intellectual property including technical descriptions and evaluations, and market descriptions and evaluations
- (j) sign documents required in the patent application process within an agreed timeframe
- (k) answer questions and provide information requested by USC within an agreed timeframe
- (l) promptly notify USC when approached by a possible commercial partner
- (m) assist USC in its negotiations with commercial partners
- (n) include USC in any commercial discussions relating to intellectual property
- (o) ensure that USC is consulted about, and agrees to, the signing of any contracts or commitments binding upon USC and
- (p) seek USC approval for any media statements regarding Intellectual Property with commercial potential.

Similarly, USC's expectation is that the Office of Research will use its best endeavours to respond within a timely and commercial timeframe.

### 8.1 Identification of Intellectual Property

USC relies on staff, students and invited scholars in consultation to identify commercialisable intellectual property. staff, students and invited scholars need to be alert to identifying commercialisable intellectual property, as often, commercialisable intellectual property is created, but not recognised as intellectual property, or not recognised as commercialisable.

This represents a loss of opportunity:

- (a) to USC in terms of its reputation and in the achievement of its community obligations
- (b) to the staff, students and invited scholars that created that intellectual property, who by reason of the lost opportunity do not receive commercialisation revenue benefits as well as scholarly recognition
- (c) to the school in which the staff or students created that intellectual property, which by reason of the lost opportunity does not receive commercialisation revenue that may have been available to fund further research by those staff, students and invited scholars.

USC relies upon staff, students and invited scholars, working with the Office of Research, to identify commercialisable intellectual property, as USC has no other means of ascertaining what intellectual property has been developed at USC. The Office of Research will make its best endeavours to assist in this process.

A complete disclosure of commercialisable intellectual property to the Office of Research must be promptly made by staff, students and invited scholars.

### 8.2 Manner of making an Intellectual Property disclosure

Creators disclose intellectual property by completing a creator disclosure form which is available on USC's website.

The website also contains guidelines for the completion of the creator disclosure form.

### 9.1 Initial assessment

The Office of Research will make an initial assessment of the intellectual property disclosed in a creator Disclosure Form.

That assessment will be made with the assistance of the creators.

The assessment will include such matters as:

- (a) the Commercialisation prospects of the Intellectual Property
- (b) the appropriateness of seeking the protection of the intellectual property, for example, by filing a patent application
- (c) whether it would be prudent to undertake further work or research on the intellectual property to bring it to a more commercialisable state
- (d) sources of research monies for further research
- (e) commercialisation strategies
- (f) potential industry partners.

This list is by no means intended to be exhaustive.

The Office of Research will make its best endeavours to undertake this assessment within an appropriate commercial timeframe, and will inform the creators of any time constraints that may impact upon this process.

The Office of Research's assessment will encompass all relevant factors to thoroughly assess the intellectual property and the commercialisation opportunity.

## 9.2 Continuous assessment

The Office of Research will make continuous assessments of intellectual property.

Intellectual property and the landscape in which it is commercialised is dynamic. As a result, different commercialisation strategies may be employed as further research is undertaken.

Initial assessments are therefore subject to continuous review, and further assessment of the commercialisation opportunity, to maximise the opportunity for USC.

There are many different ways to obtain protection for intellectual property. The Office of Research, in making these assessments, may seek advice of patent attorneys, creators and other experts as appropriate in order to determine the best approach for each individual case.

## 10.1 Patenting

The Office of Research will be responsible for assessing:

- (a) whether to apply for a patent
- (b) the timing of a patent application
- (c) the scope of protection to be sought
- (d) whether to proceed from a provisional application to a patent cooperation treaty application
- (e) whether to proceed to national filings of a patent application.

The Office of Research will implement those decisions and manage the prosecution of patents.

## 10.2 Other forms of protection

Office of Research will also be responsible for making similar assessments in relation to other forms of intellectual property.

Office of Research will also implement those decisions and manage the prosecution of those applications.

## 10.3 Publications and seeking Intellectual Property protection

The transfer of knowledge and technology through publication and commercialisation has always been, and remains, an important function of USC, and as such, USC encourages staff, students and invited scholars to publish their research findings in academic and scholarly journals, and recognises the importance of both in terms of career progression.

At the same time, commercialisable intellectual property may sometimes need to be maintained in confidence, so as not to affect adversely its commercialisation prospects.

But the objective to commercialise intellectual property is not to operate to the exclusion of the objective to publish. The two objectives are not mutually exclusive, but should be complementary, each supporting the other. Indeed, publication is a valuable commercialisation tool, demonstrating that publication and commercialisation, far from being mutually exclusive, should be complementary, each supporting the other.

Intellectual Property that is disclosed to the Office of Research, can and should be the subject of publications.

The Office of Research will work with contributors to maximise:

- (a) The opportunities for the publication of commercialisable intellectual property
- (b) The commercial opportunities of commercialisable intellectual property.

In practice, this will mean that the Office of Research and creators will work together to formulate timetables that:

- (c) Do not unnecessarily hinder publications
- (d) Do not put the protection and commercialisation of intellectual property at risk.

This will preserve the achievement of both objectives in a cooperative fashion, without the achievement of either objective hindering the other.

USC will distribute net commercialisation revenue it receives from the commercialisation of USC intellectual property in accordance with the Intellectual Property: Commercialisation Revenue - Procedures and associated guidelines.

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