

# Industrial Property Management Regulation of Rīga Stradiņš University

## 1. General

- 1.1. Industrial Property Management Regulation (hereinafter referred to as – Regulation) shall regulate implementation of the Industrial Property Management policy of Rīga Stradiņš University (hereinafter referred to as – University) in practice with regard to the type of the intellectual property – industrial property.
- 1.2. The Regulation has been issued on the basis of section 15, paragraph 1 of the “Law On Institutions of Higher Education”, sub-clause 3 and 6 of clause 3.6 and paragraph 1 of clause 3.13 of Rīga Stradiņš University Constitution.
- 1.3. The Regulation has been issued in accordance with the Law On Institutions of Higher Education, Law on Scientific Activity, Law On Designs, Patent Law, Plant Varieties Protection Law, Law on Protection of Topographies of Semiconductor Products, conventions and treaties on intellectual property protection binding to the Republic of Latvia, legal acts of the European Union on intellectual property protection, University Constitution and internal regulatory enactments of the University, as well as in accordance with the Intellectual Property Management policy of the University.
- 1.4. The Regulation should apply to the objects of industrial property identified in the laws of Latvia – inventions, plant varieties, designs, trade marks, topographies of semiconductor products, data bases (*sui generis*), know-how (at the volume to be patented).
- 1.5. The Regulation shall be binding to any natural person in contractual relationships with the University, as well as to legal entities with concluded contracts including reference to this Regulation.
- 1.6. The Regulation shall be publicly available document on the website of the University.

## 2. Industrial Property Management Rules

- 2.1. Industrial property should be classified as of jurisdiction of the University in following cases:

- 2.1.1. Industrial property has originated or has been created by the employee of the University during performance of professional obligations according to the job description;
- 2.1.2. Industrial property has originated or has been created by natural person performing tasks and works defined in the company-level contract with the University or in any other contract of economic activity between the natural person and the University;
- 2.1.3. Industrial property has originated during performance of legal entity within the contract concluded with the University, if this contract shall foresee University's property rights to the intellectual property originated or created as a result of execution of the contract.
- 2.2. University shall have rights to the industrial property in following cases, unless the University has legally apriori refused from the industrial property rights:
  - 2.2.1. Industrial property has originated or has been created during execution of contracts of any kind or performing works of any kind managed by the employee of the University or person who has been delegated the managing function by the company-level contract or by any other contract of economic activity of natural person concluded with the University;
  - 2.2.2. Industrial property has originated or has been created by using of the material, nonmaterial and intellectual resources of the University at substantial volume or involving students of the University;
  - 2.2.3. Industrial property has originated or has been created substantially using the University name, symbolism, international recognisability (essentiality in the cases specified in this one and previous clause should be assessed separately, but in any case the utilization should be considered substantial, if there is a reason for conclusion that no origination or creation of the intellectual property would occur without it);
  - 2.2.4. Legal entity or natural person has transferred the industrial property rights to the University.
- 2.3. If a new legal object of industrial property has originated or has been created as a result of occupational or other legal relations foreseeing financing from several sources, then belonging of the industrial property shall be defined by relevant consortium contract. If the structural units of

the University shall involve in activities resulting in creation of industrial property not entering into possession of the University, these units shall be obliged to harmonize such involvement with the Research Department of the University in advance.

- 2.4. In cases jurisdiction of intellectual property or University's rights to the industrial property are questioned the University shall bring the case before the court of the Republic of Latvia or other legal authorities for recognition of its industrial property rights. Decision on inception of legal procedure shall be adopted by the rector of the University. If the court shall decide in favour of the University functions of the creator of the industrial property shall be performed by a representative of the technology transfer office of the University within this Regulation.
- 2.5. The University shall have rights to the industrial property created by the students of the University, if this property has originated or has been created by substantial excess of consumption of material or nonmaterial public or University's resources or consumption of intellectual resources of the academic and administrative personnel of the University in any way or by substantial excess of costs for each place of studies determined by the state or covered by the financial resources of natural persons and legal entities.
- 2.6. The University shall be entitled to refuse from industrial property rights in favour of other applicants, if relevant opinion shall be provided by the Research Council of the University and the rector of the University shall issue relevant order document after familiarization with this opinion.
- 2.7. All procedures in relation with the industrial property should be performed in such a way as to provide the industrial property protection.
- 2.8. Licencing shall be allowable form of commercial utilization of industrial property selection of which for commercialisation purposes shall be accepted by the order document issued by the rector.
- 2.9. Investment of the University's industrial property in the equity capital of commercial companies shall be possible in accordance with the regulatory enactments of the Republic of Latvia only.
- 2.10. Contracts of the commercialisation of industrial property of the University should be submitted for registration in the Patent Office of the Republic of Latvia or in other authority competent on the respective matter.
- 2.11. Regarding involvement of the personnel and structural units of the University in execution of educational and research projects – utilization of the background intellectual property of the University in such projects shall be allowable first receiving opinion on conditions of such utilization issued by the Technology Transfer Office (hereinafter referred to as –

TTO) in advance and concluding contract of intellectual property utilization with the project consortium on the basis of this opinion.

- 2.12. Research Department of the University shall be the structural unit in charge of the compliance with the Industrial property management rules.

### **3. Industrial property management procedure**

- 3.1. Industrial property management procedure shall regulate practical application of the Regulation, as well as selection procedure of the projects to be commercialised and adoption procedure of commercialisation decisions.
- 3.2. In order to provide execution of the Regulation in regard of the industrial property of the University's jurisdiction or the industrial property on which the University has rights, the creator of the industrial property shall notify the University about the originated or created property by filling the „Industrial property report” according to the form defined in the Regulation (Appendix 1). If the industrial property has been created by several creators (for example, association of inventors/discoverers) the matters regarding industrial property shall be settled by representative nominated by this association.
- 3.3. Industrial property report shall be submitted in the Records Management Department of the University in closed and sealed envelope. Receipt of the envelope shall be confirmed in writing.
- 3.4. Records Management Department of the University shall classify the Industrial property report as limited availability information and verify upon receipt, if the submitted documents have been received undamaged, and record in the register of documents containing limited availability information.
- 3.5. After reception of the Industrial property report the Records Management Department of the University shall forward the Report to the head of TTO according to the requirements of the Records management instruction of the University in regard of limited availability information.
- 3.6. After reception of the Industrial property report the head of TTO shall convene the meeting of Intellectual property assessment commission.
- 3.7. Composition of the Intellectual property assessment commission shall be approved by the order issued by rector, including in commission the head of TTO, registrar of patents, head of the Research Department, lawyer of the University with competence in intellectual property matters, expert with competence in financial matters appointed by the Finance Department of the University. Other members of commission competent

in examination of the corresponding matters may also be included in the Commission.

- 3.8. Meetings of the Intellectual property assessment commission shall be convened at least once a month, if new Industrial property reports are received.
- 3.9. Intellectual property assessment commission shall examine the submitted Industrial property reports within the meeting after their opening, registering in the minutes all statements on Industrial property reports, recommendations and outcome of voting procedures. The meeting shall be chaired by the head of TTO. Intellectual property assessment commission shall examine the matters according to the unanimity principle, however, if the members of the commission shall fail to reached agreement the respective matter shall be resolved considering the majority of vote.
- 3.10. Intellectual property assessment commission shall have rights to involve experts in the status of adviser to assess the commercial potential of the industrial property. Involved experts must be fully responsible for non-disclosure of the acquired information concluding corresponding written agreement with the experts.
- 3.11. Intellectual property assessment commission may initiate feasibility study in regard of the commercialisation opportunities of the new industrial property object of the University. Feasibility study shall be organized by the Research Department of the University, and the feasibility study shall be financed from the funds of the University or third parties. Feasibility study may not serve as grounds for change of the property rights, and the University shall be responsible for the protection of the industrial property within the feasibility study process. If the feasibility study shall be financed by the funds of third parties, the University shall conclude a contract with the involved third parties regarding provision of security of the industrial property.
- 3.12. Intellectual property assessment commission shall organize the assessment of commercial potential of the industrial property according to "Selection methodology of projects to be commercialized" approved by the order issued by rector of the University; draft of the methodology shall be developed by the Research Department of the University.
- 3.13. Pursuant to assessment of commercial potential of the industrial property the Intellectual property assessment commission shall provide opinion on registration of the industrial property in University's name or refusal to register the declared industrial property in University's name.

- 3.14. Rector of the University shall adopt the decision on registration of the industrial property in University's name or refusal to register the declared industrial property in University's name assessing the opinion issued by the Intellectual property assessment commission. Period of adoption of decision on registration of the industrial property in University's name or refusal to register may not exceed two calendar months, counting from the submission date of the corresponding Industrial property report; in case of feasibility study this period may not exceed three months.
- 3.15. In case the University shall refuse to register the declared industrial property in University's name the industrial property rights shall be fully transferred to the creator (creators) of the industrial property.
- 3.16. In case the industrial property shall be registered as property of the University, a Commercialisation contract with the creators of the industrial property shall be prepared. Draft Commercialisation contract shall be prepared by TTO harmonizing with the relevant structural units of the University. The contract shall be signed by the rector of the University.
- 3.17. Commercialisation contract shall define responsibility of the parties on protection of industrial property, contribution of the parties in covering of the costs related to the industrial property protection and other conditions as necessary.
- 3.18. Commercialisation contract shall define the division of the proceeds gained from commercial utilization of the industrial property. Division principles and proportions shall be determined for the whole period of commercial utilization of the industrial property in accordance with this Regulation.
- 3.19. TTO shall be the structural unit in charge of compliance with the Industrial property management procedure.

#### **4. Division of the proceeds gained from utilization of the industrial property**

- 4.1. Following proceeds should be considered proceeds from utilization of the industrial property:
  - 4.1.1. Fee for the use of licence;
  - 4.1.2. Audited profit net of taxes from the capital company in the equity capital of which industrial property of the University has been invested;

- 4.1.3. Compensation awarded by the court for the utilization of industrial property, as well as payments awarded also by other institutions in favour of the creator of the industrial property directly resulted from the industrial property rights and subjected to the direct and indirect procedural costs.
- 4.2. If revenue from the utilization of industrial property shall be gained in several ways, they shall be summarized.
- 4.3. Revenue from the utilization of industrial property of the University shall be first diverted for covering of the costs of industrial property protection.
- 4.4. Financial means remaining after covering of the costs of industrial property protection shall be divided consecutively depending on the volume of financial resources in dispose of the University from the utilization of specific industrial property in the corresponding financial year:

Parts of the financial means to be divided	Creator of the industrial property	Structural unit, where the industrial property has been created	University
First 15 000 Ls	75%	5%	20%
15 001-50 000 Ls	50%	5%	45%
over 50 000 Ls	35%	5%	60%

- 4.5. Financial resources due to the natural persons and legal entities for certain financial year shall be paid after conclusion of the respective financial year and drawing up of the balance of University, after deduction of taxes and mandatory payments by transferring to the respective bank account. Financial resources due to the structural units with no status of legal entity shall be managed by the Finance Department of the University, and the financial resources shall be used taking into consideration the needs of structural unit.

## 5. Final provisions

- 5.1. All activities related to the industrial property of the University should be considered confidential, and information regarding these activities – limited availability information, except for cases, when publicising of information has been specified by the applicable laws or regulatory enactments.
- 5.2. Disputes related to industrial property of the RSU should be resolved in the court of the Republic of Latvia in accordance with the procedure.

**Rīga Stradiņš University**  
**Industrial property report**

1. Name, surname and contact address of the submitter of the report.
2. Structural unit and/or group of researchers, in which the new industrial property object has been created, has originated or identified.
3. Names, surnames and contact addresses of the inventors/discoverers/constitutors of the new industrial property object. Indicate the main creator/discoverer/constitutor of the new industrial property object, if one may be identified.
4. Authorized person for the resolution of the matters of industrial property rights.
5. Financing sources for research and other activities resulting in the new industrial property object.
6. Competent description of the new industrial property object.
7. Indications on similar background industrial property objects, if known.
8. Entirety of problems, tasks solved by the new industrial property object or – the direction this property prevails the existing similar industrial property objects.
9. Typical parameters of the new industrial property object, qualitative and quantitative limitations of operation.
10. Potential consumers of the new industrial property object or interested persons of other kind.
11. Previously distributed information on the new industrial property object.
12. Cooperation with the research groups and characterization of the groups which might acquire new industrial property object or cause competition in other way.
13. Alternative designations of the new industrial property object to be used for searching of analogues in the information sources.
14. Does the protection of new industrial property object require urgent commencement and execution of protection measures?
15. Substantial obstructions for the registration of property rights of the new industrial property object in the RSU name and commercialisation.

Place, date, signature, name and surname