

RESEARCH ADVISORY COUNCIL

INTELLECTUAL PROPERTY POLICY

ARTICLE 1

PREAMBLE

KFSH&RC recognizes that patentable inventions may be made in the course of research or other activities sponsored by KFSH&RC and/or by others through KFSH&RC. It is the policy of KFSH&RC to maximize the benefits to the individual who makes such patentable inventions, to KFSH&RC and to the general public; and to stimulate initiative in the staff, employees, trainees, and students of KFSH&RC. KFSH&RC recognizes that this may best be accomplished through patenting and licensing such inventions in a manner consistent with the public interest, and for such purpose KFSH&RC hereby establishes the intellectual property policy set forth herein.

ARTICLE 2

POLICY

- A. In order to protect the public good and KFSH&RC, and in order to fulfill obligations to research sponsors, KFSH&RC shall claim equity in all discoveries and its right to acquire the title and control to such discoveries where the discoveries are made by staff, employees, trainees, or students working on or arising from programs supported in whole or in part by funds, space, personnel, or facilities provided by KFSH&RC.
- B. When a discovery is made by an inventor outside of any program conducted by KFSH&RC, and the inventor can demonstrate that KFSH&RC did not provide or administer significant funds, space, personnel, or facilities for work leading to the discovery, the discovery shall remain the exclusive property of the inventor or his/her sponsor. KFSH&RC shall not ordinarily consider provision of office, classroom, or library facilities as constituting significant use of KFSH&RC funds, space, personnel or facilities. For the purposes of this policy, the term "Inventor" shall include all individuals who participated in or signed a disclosure statement reporting a discovery or invention.
- C. When necessary, the Research Advisory Council (RAC) of the KFSH&RC shall decide whether an invention or discovery shall be classified under paragraph A or paragraph B of this section.

ARTICLE 3

INTELLECTUAL PROPERTY PROCEEDS

- A. Where KFSH&RC is entitled to equity in a discovery and after patent prosecution and any other costs are recovered, each inventor will be given:
- ❑ a share of the first \$2,000.00 of royalties or other payments received on a licensed invention for each year the agreement is in effect, provided sufficient royalties are received;
 - ❑ a share of fifteen percent (15%) of the license royalties received between \$2,000 and \$50,000; and
 - ❑ a share of 25% of license royalties in excess of the first \$50,000 received.
- B. The sum of these, as appropriate, will be the inventor's share in royalties or other payments received by the KFSH&RC.
- C. The remainder of the royalties or other payments received will be distributed as follows: two thirds to the unit(s)/section(s) in which the invention was made and one third to the KFSH&RC General Research Fund.
- D. Royalty payments are distributed in January and July of each year. The royalties are received and distributed by the RAC on behalf of KFSH&RC. No royalties are ever paid directly to any inventor by any license. A formal review and approval process is followed in receiving and administering royalty distributions.
- E. In the event an inventor ceases to be associated with the KFSH&RC, he or she shall continue to receive the inventor's share.

ARTICLE 4

DISCLOSURES

Because the securing of rights in discoveries and inventions depends on prompt and efficient patent application and administration, all staff, employees, trainees, and students of KFSH&RC who make inventions or discoveries shall immediately disclose said inventions or discoveries to the Office of Research Affairs (ORA). This disclosure obligation shall apply to all inventions and discoveries whether they fall under Paragraph A or B under the Policy section.

ARTICLE 5

PATENT ADMINISTRATION

Within 60 days following disclosure by the Inventor of his or her invention to the ORA, the ORA shall inform the Inventor in writing of the decision of the Research Advisory Council (RAC) on whether rights of ownership to the invention will be retained by the KFSH&RC or released to the Inventor and in regard to which countries. Such a decision shall be recommended by an ad hoc committee appointed by the Chairman of the RAC and approved by the RAC Chairman. The inventor shall disclose to the RAC and the ad hoc committee any and all details about his/her invention that are required to make such a decision.

The inventor shall then complete the patent application(s) and file it with the ORA in a reasonable time. The ORA shall have the patent reviewed and filed by a patent lawyer in the applicable country/countries within 3 months from receiving a completed patent application. If the ORA fails to inform the inventor of the RAC decision as to the rights of ownership of the invention or to file the patent application in the applicable country/countries, in the allocated time, the RAC Chairman shall, in consultation with the Inventor, determine what other disposition, if any, shall be made of the invention and its development.

ARTICLE 6

DISPUTE REVIEW

Any disputes that arise under this policy shall be referred to the RAC, who, after consultation with the ORA, shall recommend action to the RAC Chairman. If the inventor is not satisfied with the RAC decision, he/she shall have the right to submit his/her claim to the committee established for resolving such issues in the King Abdulaziz City for Science and Technology (KACST) in accordance with the Saudi patent law. The decision of the KACST committee is appealable to the Board of Grievance whose decision shall be final.

ARTICLE 7

CONSULTING AND OTHER AGREEMENTS

The rights of KFSH&RC under this policy, and the interest of sponsors under research grants or contracts, may not be abrogated or limited by consulting agreements or other contracts entered into between KFSH&RC staff, employees, trainees and students and an outside organizations or employers. KFSH&RC staff, employees, trainees, and students should inform outside employers of their obligations, and commitments to the KFSH&RC under this policy. Such staff, employees, trainees, and students shall ascertain that patent clauses in their agreements are not in conflict with their obligations to the KFSH&RC or this policy or the laws and regulations of the Kingdom of Saudi Arabia. Each member of the staff, employees, trainees and students should make his/her obligations to the KFSH&RC clear to those with whom such agreements may be made, and should ensure that they are provided with a current statement of the KFSH&RC policy. Upon request, the ORA will provide a standard clause, which may be inserted in the agreement. This clause will put third parties on notice as to the KFSH&RC rights under this policy with respect to inventions and discoveries. In case of conflict of interest, the KFSH&RC reserves the ultimate right to determine the final disposition of the rights and interests involved.

Rights and obligations under this agreement shall survive any termination of enrollment or employment at KFSH&RC.

Nothing herein contained is intended to grant or dispose of any right, title, and interest to any disclosure, idea, improvement, or invention, whether patentable or not, which has been supported or funded by outside parties who acquire rights to such disclosure, idea, improvement and invention.

ARTICLE 8

APPLICABLE LAWS

This policy is subject to the laws of Saudi Arabia including the patent law issued per Royal Order # M/38 dated 10.6.1409, (17 Jan 1989) and any amendments thereof. The Board of Grievance shall have the final jurisdiction for any dispute.

Approved by:

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Anwar Jabarti, PhD	Date
Counsel and Supervisor of Executive Management	
Chief Executive Director	
King Faisal Specialist Hospital & Research Centre	