

Proposal for the Revision of Delegated Authority to Approve Licensing Agreements to the Offices of the Chancellors for Intellectual Properties developed solely within their Constituent University (CU)

Rationale:

On their 1316th Meeting last 31 March 2016, the Board of Regents (BOR) approved the "Proposal for the Revision of Delegated Authority to Approve Licensing Agreements to the Office of the President" which delegated the approval of Licensing Agreements for the following cases:

1. Cases where directly-negotiated Licensing Agreements are declared as "FAIR " by the Secretary of the Department of Science and Technology for University-owned Intellectual Property Rights that are developed by Academic and Research Development Institutions under the University;
2. Cases which use "other modes of commercialization as allowed by all applicable laws" as defined in Section 7 of the Philippine Technology Transfer Act of 2009 such as, but not limited to, competitive bidding.

in accordance to Section 2 of the Technology Transfer Act of 2009.

On the 1261st Meeting last 28 October 2010, the Board of Regents also approved the "Request for the Delegation of Authority to the Chancellor of UP Manila to Effect the Transfer and Assignment of Intellectual Properties and Intellectual Property Rights as well as Technology Licensing Activities from the Department of Science and Technology (DOST) to UP Manila and Other Related Matters" which delegated the authority "To sign and execute any and all agreements, documents and papers with the DOST that will effect the transfer and assignment of IPs, IPRs and technologies on medicinal plant products and processes and such other matters and activities related thereto".

Our office believes that the authority to approve and sign Licensing Agreements that were solely developed by Academic and Research Development Institutions under a Constituent University should be delegated to the Office of the Chancellor of the concerned CU. This will further improve how the University can facilitate the effective translation of government-funded R&D through commercial initiatives as they are more familiar with the IP, licensees and clauses of licensing agreements.

For example, the approval of the Delegation of Authority to the Chancellor of UP Manila mentioned above was facilitated the confirmation of UP Manila's "Licensing Agreement between the University of the Philippines (Licensor) and the Azarias Pharmaceutical Laboratories, Inc. (Licensee)" by the Board of Regents during their 1268th Meeting on 1 April 2011.

Proposal:

Delegation of Authority:

The Chancellor of the Constituent University shall now have the authority to approve and to sign Licensing Agreements under the following circumstances:

1. Cases where directly-negotiated Licensing Agreements are declared as "FAIR " by the Secretary of the Department of Science and Technology for University-owned Intellectual Property Rights that are developed by Academic and Research Development Institutions under the Constituent University where the Office of the Chancellor belongs to;
2. Cases which use "other modes of commercialization as allowed by all applicable laws" as defined in Section 7 of the Philippine Technology Transfer Act of 2009 such as, but not limited to, competitive bidding.

The delegation of authority requires that the Intellectual Properties (IP) and Intellectual Property Rights (IPR) stated in the abovementioned Licensing Agreements are solely developed within their Constituent University and were developed through funding from Government Funding Agencies (GFA).

Exceptions:

The Delegation approval shall not cover licensing agreements for Intellectual that are developed by Academic and Research Development Institutions from multiple Constituent Universities. These Licensing Agreements shall be reviewed under the authority of the Office of the President.

The Chancellor of the Constituent University may also, upon request, defer the approval and signing of licensing agreements of the abovementioned Licensing Agreements to the Office of the President.

The University's BOR shall also continue to have the authority to approve Licensing Agreements in the following instances:

1. Cases where University-owned Intellectual Property Rights are waived, except in cases of failure to publish or failure to file an application/registration for said Intellectual Property Rights;
2. Cases where the funding from the research and creation of the Invention is sourced by the University, wholly or partially, from outside entities excluding Philippine Government Funding Agencies. Note that Intellectual Property Rights developed through research funded by Philippine Government Funding

Agencies are vested in the University in accordance with Article II Section 6 of the Technology Transfer Act of 2009;

3. Cases involving the need to create, organize, reorganize, merge, or abolish University-owned spin off companies, academic units and industrial facilities in order to fulfil the clauses found in the Licensing Agreement.

Clarifications:

It is noted that in the abovementioned instances, the Intellectual Property Rights involved pertain to those resulting from government-funded research and development.

It is understood that the same does not involve Intellectual Property Rights resulting from research, creation, and development funded by the University itself or entities outside Philippine Government Funding Agencies. Examples of such are Licensing Agreements pertaining to the use of the UP Seal and the Oblation.

It is understood that the process of licensing Intellectual Property remains the same. The Chancellor of the Constituent University remains the signatory for Licensing Agreements for Intellectual Properties (IP) that solely originates within their CU. The only change in the process is that the approval of the abovementioned Licensing Agreement will only be vested on the Office of the Chancellors or the Office of the President rather than the BOR.

It is also understood that the role of the Legal Offices of concerned Constituent Universities (CUs) having “sole jurisdiction to prosecute and defend actions relating to the University’s Intellectual Property Rights” (Article 9 (5) of the 2011 UP IPR Policy) are not affected by the Memorandum. The CU Legal offices retain their jurisdiction to review licensing agreements related to the Intellectual Properties developed in their respective CUs while the Office of the Vice-President for Legal Affairs (OVPLA) retains their jurisdiction to review licensing agreements for Licensing Agreements developed by Academic and Research Development Institutions from multiple Constituent Universities and any Licensing Agreement deferred to the Office of the President as requested by the concerned CU’s Office of the Chancellor.