MEDICAL UNIVERSITY OF VIENNA

PATENT and LICENSE POLICY

The Rectorate of the Medical University of Vienna has enacted the Patent and License Policy as follows:

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I. Objective
The Medical University of Vienna (MUV) is dedicated to disseminating the results of University research to the best of its ability in the interests of medical progress and society. It is also a priority of the MUV to promote patents and commercial uses for the products of its research, enabling it to use the resulting income from exploitable technologies as a long-term source of funding for the University. These regulations shall therefore provide guidelines for the reporting of in-service inventions and software including other intangible assets, commercially exploitable know-how, and biological materials. The MUV aims to protect and use its intellectual property by means of professional patent and license management.

II. Patent Policy
A. Legal Position
According to § 106 (2 & 3) of the University Act (UG 2002), in force since January 2004, all inventions made by MUV employees during their employment at the MUV shall be considered in-service inventions and subject to the Patent Act (§7 (3)). All such inventions shall promptly be registered at the Rectorate.

Wording of the law (translation):

§ 106 Commercial exploitation of intellectual property
(1) …………
(2) In-service inventions in the meaning of § 7 para. 3 of the Patents Act, Federal Law Gazette No. 259/1970, made at a university in the course of employment or training under federal public law or employment or training by the university, shall be subject to the Patents Act, and the university shall be deemed to be the employer according to § 7 para. 2 of the Patents Act.
(3) All in-service inventions shall be promptly reported to the Rectorate. The Rectorate shall inform the inventor within three months if it intends to claim title to the invention in its entirety or rights to the use thereof. Otherwise, the inventor shall be entitled to such rights.

B. University’s Responsibilities
1. Patenting and commercial exploitation by the MUV provide the inventor many advantages. Commercialisation is easier for the individual researcher with the assistance of the University. Intellectual property rights can be better protected, and the MUV coordinates and administrates the filing process and meets the expenses of patent filing and fees. Thus, the MUV bears all the costs and risks of patenting and commercialisation.
2. To support its inventors, the MUV has established a Technology Transfer Office (OE Research Support) which is under the supervision of the Rector.
3. The Technology Transfer Office is entrusted with the protection of intellectual property rights (IPR) and the execution of technology transfer at the MUV. The office shall
advise and support MUV inventors on the administrative process for invention reporting as well as the evaluation of patentability and marketability. It shall also offer advice on patenting, strategic patent management, and commercialisation. Furthermore, the Technology Transfer Office shall advise the Rector with regard to MUV title claim decisions for inventions. Confidentiality agreements and material transfer agreements are also available at the Technology Transfer Office or can be downloaded from the MUV webpage.

4. The MUV offers this range of services to all MUV employees.

5. For the evaluation of an invention’s patentability and marketability, external experts or patent-licensing agencies may be consulted.

6. 

C. Inventor’s Responsibilities

1. All MUV employees are required to disclose their inventions.

2. In-service inventions shall be disclosed promptly to the Rectorate via the Technology Transfer Office. Patent filing prior to disclosure at the Rectorate is not permitted. Inventions and patents arising from research co-operations with third parties (e.g. companies) that will be filed by third parties (company is named as applicant) must be disclosed likewise, provided that MUV employees are named as inventors.

3. Inventions shall be disclosed by submitting the form Erfindungsmeldung (invention disclosure form), which is available at the Technology Transfer Office, or can be downloaded from the MUV website. Inventors are required to complete the form to the best of their knowledge with all essential supplements, such as publications and patent searches attached.

4. Successful patent filing and licensing requires close cooperation between the inventor(s) and the Technology Transfer Office.

5. For Inventions conceived before this policy came into effect, the guidelines of the patent and license policy published in Mitteilungsblatt der MUW, academic year 2003/2004, 30th Edition, No. 63 from 20th September 2004 shall apply.

6. Confidentiality about the invention shall be maintained until the MUV decision whether to claim title or not, and, in the case of a claim of title, until patent filing. After patent filing and upon consultation of the Rectorate and the Technology Transfer Office, publication of the in-service invention is permitted.

D. Title Claim: Deadlines and Costs

1. The Rectorate shall inform the inventor(s) in writing within three months of receipt of the complete invention disclosure whether or not it intends to claim title to the invention. The inventor(s) shall confirm receipt of the written decision within 10 working days.

2. If the MUV decides to claim title to the in-service invention, a patent will be filed in cooperation with the inventor(s) and a strategy concerning the commercialisation shall be defined. External experts or patent licensing agencies may be consulted by the MUV.

3. In case of a title claim, all patent costs shall be borne by the MUV as the employer.
E. **In the Case of No Title Claim**
If the MUV does not claim title by the legal deadline, all rights revert to the inventor(s).

Reasons for not claiming an invention are:

1. The invention is not an in-service invention; rights can therefore not be claimed by the MUV.
2. Strategic or ethic reasons.
3. Commercial success and implementation of the invention seem doubtful.
   a. The MUV considers the invention cannot be successfully commercialised.
   b. The time, effort and expense necessary to successfully commercialise the invention are disproportionately high and therefore, for MUV, not economically justified.

F. **Rights of Third Parties**
In cases where contractual agreements assign third parties rights to the invention, the MUV must transfer the contractually-specified rights to commercialisation to the third party. Individuals within the MUV authorised to conclude contracts have to ensure that, within the legal framework of the UG 2002, the Federal Act Against Unfair Competition 1984 UWG, and the EU state aid legislation (*EU Beihilfenrecht*), commercial exploitation rights are precisely defined, contractual deadlines for notification of title claim for inventions of contractual partners are met, and that provisions for IP compensation (including inventor compensation as well as patent and license fees) are specified in the contract. In any case, IPR and remuneration clauses in research and co-operation agreements with third parties must be agreed with the MUV. The MUV Legal Department may be consulted for support in such cases.

G. **Contracts: Intellectual Property and Use Provisions**
Employment and research contracts with the MUV shall contain regulations for the protection of Intellectual Property Rights. Provisions that assign rights of use and exploitation for research results, inventions, possibly compensation for inventions, and rights for publication and use of results for the MUV’s own research and teaching purposes, shall be included in all contracts.

H. **Confidentiality**
The invention shall be held in confidentiality by the inventor(s) and the MUV until the MUV has reached a decision whether or not to claim title or, in the case of title claim, until the patent application is filed. This obligation shall extend to all MUV employees handling the disclosure, as well as to external experts. After patent filing, the confidentiality clause generally remains valid. However, upon consultation with the Rectorate, publications associated with the in-service invention are permitted.
I. Inventor Compensation and Income/Revenue(s)

1. If the MUV commercialises an in-service invention, the inventor(s) shall have the right to receive inventors compensation (PatG § 7 (3)). Compensation is due as soon as income from license revenues, option fees, etc. is received.

2. Prior to the distribution of revenues, expenses incurred by third parties shall be reimbursed and the costs for patent filing, patent fees, patent attorneys, translation, notarisation, copyrighting, legal procedures, marketing, licensing (or other necessary licensing authorisations) shall be deducted. The remaining net income shall be divided between the inventor(s), the inventors' department and the MUV. The inventors compensation becoming due as a result of revenues generated from licensing activities according to §I.1. shall be disbursed with the salary as a special compensation. The payment shall be including all ancillary labour costs according to the respective legal tax, duty and social insurance requirements.

3. Net income shall be distributed as follows:

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<tr>
<th>Source</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Inventor(s)</td>
<td>45%</td>
</tr>
<tr>
<td>Inventor's department</td>
<td>10%</td>
</tr>
<tr>
<td>MUV</td>
<td>45%</td>
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</tbody>
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The inventor(s) shall have the right to use their share at their own discretion.

The departments share may be used only to fund research. At least half (5%) shall be placed at disposal of the inventor(s) (exclusively for research) as long as he/she is an MUV employee. The remaining half shall be distributed by the head of the department.

The MUV share shall be used to fund research and future patent/commercialisation activities. It shall be placed at the disposal of the Rectorate.

b) Non-patentable technologies

Technologies developed by the MUV employees that cannot be patented shall likewise be owned by the MUV. This shall also apply to technologies that were created or developed before 1 January 2004 but were/are commercialised after 1 January 2004. Such technologies shall be reported immediately after development, no later than the time negotiations are initiated with interested parties. The preceding provisions for inventions (B, C, F, G and H) shall apply analogously. The MUV shall claim rights to non-patentable technologies according to the terms mentioned below.

Allocation of licensing income from technologies for which no industrial property rights were filed or registered:

If a technology that has not been patented is licensed to third parties (e.g. research tools, know-how, biological material, etc.) a separate distribution key applies:

Alternative 1: The developer of the technology brings the licensor

If, when reporting the technology to the Technology Transfer Office, the developer names a potential licensor and this licensor subsequently signs an agreement, the net income from this agreement shall be divided as follows:

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<th>Source</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Inventor's department</td>
<td>85%</td>
</tr>
<tr>
<td>MUV</td>
<td>15%</td>
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Alternative 2: The Technology Transfer Office searches for licensors

If the Technology Transfer Office finds a licensor and an agreement is concluded, the net income from this agreement shall be divided as follows:

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<tbody>
<tr>
<td>Inventor’s department:</td>
<td>70%</td>
</tr>
<tr>
<td>MUV:</td>
<td>30%</td>
</tr>
</tbody>
</table>

The revenue is to be utilised as follows:

- The departments share may be used only to fund research. The full amount shall be placed at disposal of the researcher(s) who developed the technology (exclusively for research) as long as he/she is an MUV employee.
- The MUV share shall be used to fund research and future patent/commercialisation activities. It shall be placed at the disposal of the Rectorate.

J. Works protected by Copyright (Urheberrecht)

The rights to works protected by copyright on principle rest with the author (Austrian Copyright Act; Urheberrechtsgesetz), with the exception of works that were created in execution of the author’s duties under a contract of employment or service (service works). Therefore, the MUV, as the employer, has the exclusive right of exploitation and commercialisation of such service works, including software (computer programmes), created by its employees in the course of their employment or in execution of their duties at the MUV. Service works and software shall be reported immediately after development, no later than the time negotiations with interested parties are initiated. If the MUV commercialises a copyrighted work, the distribution key for compensation shall be determined on an individual basis. The preceding provisions for inventions (B,C,F,G and H) shall apply analogously.

K. Methods of Commercial Use

The MUV places a high value on commercialising intellectual property via licensing, sale or other means. When deciding upon a commercialisation strategy, the inventors’ wishes shall be taken into consideration.

In the event of a commercialisation of the invention by the inventor(s) themselves, a commercialisation agreement between MUV and the inventor(s) is required.

In special cases, the MUV may participate, in an appropriate manner, in spin-off ventures. Regulations to this effect shall be determined on an individual basis.

L. Non-compliance and Sanctions

1. The Rectorate and the Technology Transfer Office monitor compliance with this policy. In cases of non-compliance, the MUV will claim its rights and, if necessary, file claims for damages.
2. Non-compliance also can result in legal consequences for the employee.
M. Validity
This policy comes into effect on 17 October 2007 and supersedes the previous patent and license policy of the Rectorate (Mitteilungsblatt der MUW, Studienjahr 2003/2004, 30. Stück, Nr. 63 vom 20. September 2004).

III. Contact
Technology Transfer Office (Research Support Department)

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