



Commercialization Policy

Category: Research;

Jurisdiction: Vice-President, Research & Innovation;

Approval Authority: Executive Team;

Established on: December 15, 2022;

Amendments: None.

1. GENERAL

1.1 **Purpose:** The purpose of this policy is to strengthen focus on the generation and management of Intellectual Property and improve commercialization outcomes. It will clarify the relationship between:

- a) University Faculty Personnel, Students, Staff, and other University Persons (as defined below),
- b) the University (including its various Faculties and Departments), and
- c) to the extent possible, Third Parties, in the context of intellectual property.

1.2 **Intention of Policy:** It is the intention of this policy to:

- a) apprise Students, Staff, faculty, and the University of the current policies, procedures and protocols surrounding intellectual property, intellectual property protection, and commercialization;
- b) set out the procedures to be followed and clarify the respective rights of interested parties who wish to commercialize Intellectual Property;
- c) establish guidelines for the use of Lakehead University resources, including IPED, for the commercialization of intellectual property in various ways, including licensing and start-up company development;
- d) provide a commitment to the management and protection of Intellectual Property in a manner that maximizes commercialization opportunities, protects Ontario interests and strengthens the Ontario economy;

- e) provide a guideline for transparency and accountability through shared deliverables and annual reporting or progress, outcomes and impact;
- f) provide recognition of the need to contribute to build institutional capacity to commercialize innovation in Ontario to strengthen capacity; and
- g) provide recognition of the collaborations across the postsecondary sector and within the innovation ecosystems on both campuses.

1.3 It is not the intent of this policy to make new law, but instead to interpret and clarify existing laws related to intellectual property and commercialization. Any conflict between Canadian intellectual property laws and this policy shall be resolved in favour of the applicable Canadian law.

1.4 It is not the intent of this policy to change, modify, supersede, or terminate any rights and/or obligations set out in other legal agreements between University Persons, the University, and/or Third Parties, including without limitation the Lakehead University Faculty Association (LUFA) Collective Agreement and other employment contracts.

2. APPLICATION OF POLICY

2.1 This policy applies to any and all University Persons, the University, and Third Parties, in respect of any type of Intellectual Property created and/or developed or believed to be created and/or developed in whole or in part by any University Person in the course of that University Person's duties or activities at the University or through any use of University Facilities.

2.2 This policy does NOT apply to Undergraduate Students of Lakehead University.

2.3 In the event that this policy conflicts with any agreement (including, without limitation, the LUFA Collective Agreement) between the University and any University Person, the terms of the agreement shall prevail to the extent of the conflict.

3. DEFINITIONS

3.1 In this policy, including any of its schedules or appendices, the following terms have the following meanings, respectively:

- a) "Extraordinary Support of the University" shall be any funding or support provided by the University that is not Ordinary Support;
- b) "Faculty Personnel" means:
- i. LUFA Personnel;
 - ii. a Non-LUFA Contract Lecturer; and
 - iii. Adjunct Professors and Professor Emeriti;
- c) "Graduate Student" means any person registered at the University as a graduate student, including those on either a full-time or part-time basis;
- d) "Intellectual Property" and "IP" have the meaning ascribed by the common law and any statute law, both in Canada and internationally, and include without limiting the generality of the foregoing, patents, copyright and Copyright IP, trademarks, industrial designs, plant breeder rights, integrated circuit topographies, computer programs, trade secrets, data sets;
- e) "IPED" means Lakehead University's Office of Innovation, Partnerships and Economic Development;
- f) "[LUFA Collective Agreement](#)" means the agreement between the Board of Governors of Lakehead University and the Lakehead University Faculty Association for the period between September 1, 2022 and August 31, 2023, and any amendments, renewals, or subsequent collective agreements reached between the same parties;
- g) "LUFA Personnel" means anyone who is a member of the Lakehead University Faculty Association bargaining unit, as that term is defined in the LUFA Collective Agreement;
- h) "Net Proceeds" means the net profits derived from the sale, leasing, licensing, or commercial exploitation of the invention, improvement, design or development after deduction of all expenses incurred in the protection of the invention, improvement, design, or development including patent searches, patent applications, patent application prosecution, and maintenance of patent protection in Canada and in other countries;
- i) "Non-LUFA Contract Lecturer" means any person engaged by Lakehead University who may carry out teaching and/or Research, but does not include LUFA Personnel, Adjunct Professors, and Professor Emeriti;
- j) "Ordinary Support of the University" includes a University Person's regular salary and benefits; the personnel, equipment, supplies, and facilities funded by regular departmental operating budgets; ordinary use of the library and centralized computing facilities; and Research equipment and supplies obtained through grants in aid of a University Person's work;

- k) "Public Disclosure" refers to any book, thesis, journal article, technical or other report, research paper, whether in print, typescript or manuscript form, or recorded and/or stored in electronic or other form. For greater certainty, examples include internet postings, CD ROMs, literature, and DVDs;
- l) "Publish" in this Policy includes any non-confidential distribution of Public Disclosures and other information such as a literary work, and includes activities such as publishing in a journal, posting on the internet, distribution of copies of information in a public setting, and disclosure through media such as television and radio;
- m) "Research" means work undertaken to expand the frontiers of knowledge, to apply existing knowledge to new applications or study of a particular question;
- n) "Research Project" means any Research performed by a University Person, whether or not pursuant to a research grant or research contract, using any University Facilities;
- o) "Staff" means any employee of the University who is not a Faculty Personnel or Student;
- p) "Student" means Graduate Students, Undergraduate Students, and any other person enrolled in or auditing one or more courses, workshops, or seminars at the University;
- q) "Third Party" means a person who is not the University or a University Person;
- r) "Undergraduate Student" means any person registered at the University as an undergraduate student, including those on either a full-time or part-time basis;
- s) "University" or "Lakehead" means the corporation generally known as the Board of Governors of Lakehead University, organized pursuant to the laws of the Province of Ontario;
- t) "University Established Faculty" refers to a faculty within the University, and includes the Faculty of Business Administration, Faculty of Education, Faculty of Graduate Studies, Faculty of Engineering, Faculty of Health and Behavioral Sciences, Faculty of Natural Resource Management, Faculty of Science and Environmental Studies, Faculty of Social Science and Humanities, Faculty of Law and any other faculty created by the University;
- u) "University Person(s)" means Faculty Personnel, Staff, Graduate Students, members of the Board of Governors of the University, or any other employees of the University or independent contractors engaged by the University and includes post-doctoral fellows.

3.2 For greater certainty, and in reference to the terms "Faculty Personnel", "LUFA Personnel", "Staff", "Undergraduate Student", "Graduate Student", "Student", and "Third Party", a person may have more than one status and fall under more than one of the said terms. For example, a Staff who also teaches a course would be a Faculty Personnel for the purposes of activities undertaken while acting as a

lecturer, and a Staff for all other purposes. Similarly, an Adjunct Professor who engages in an unrelated private business would likely be a Faculty Personnel for the purpose of activities undertaken while acting as an Adjunct Professor, and a Third Party for all other purposes.

4. OUR COMMITMENT

4.1 Lakehead University has been at the forefront of discovery and dissemination of new knowledge. IPED is committed to the management and protection of IP in a manner that maximizes commercialization opportunities, protects Ontario interests and strengthens the Ontario economy. With campuses in both Thunder Bay and Orillia, the University's Research and innovation priorities are closely aligned with the social, cultural, and economic realities of Northwestern and Central Ontario.

IPED exists to carry out to the following functions:

- **Industry Research Partnerships:** assist Lakehead researchers in finding and building relationships with industry to partner on Research Projects. Additionally, assist Industry that are interested in carrying out Research with the University to connect with suitable Lakehead researchers. Industry is broadly defined as small and medium-sized enterprises (SMEs), large industry, not-for-profit corporations and all levels of government.
- **Intellectual Property Management and Licensing:** evaluate newly disclosed inventions and other Intellectual Property. Where appropriate, assist with the effective transfer of Lakehead innovations to the private sector where these discoveries can be developed for public use and benefit, through licensing or start-up/spin-off companies.
- **Start-Up Company Development:** Where appropriate (i.e. when a suitable existing licensee cannot be located or when it makes sense from an economic development point of view), support the creation and implementation of new start-up companies through *Ingenuity*, Lakehead's first business incubator.
- **Economic Development:** Assist in the implementation of various economic development initiatives, collect and report on metrics of success, work with local and regional municipalities and First Nations to support business retention, expansion and attraction, be an active participant in the regional entrepreneur eco-system and support the activities of the *President's Advisory Council on Economic Development* in Simcoe County.

4.2 IPED has implemented [Standard Operating Procedures](#) and service standards that set out various guidelines and specifies approximate timelines for service provision. They also include a comprehensive outline of the office's guiding principles, industry Research partnerships protocols, and intellectual property practises. It is the intention of [Lakehead University's Intellectual Property Policy](#) to apprise University Persons and the University of the forms of Intellectual Property, set out procedures to be followed, provide guidelines to assist in the determination of ownership, and establish guidelines for the use of Lakehead University resources.

5. DEFINED ROLES AND RESPONSIBILITIES

5.1 The *Office of Innovation, Partnerships and Economic Development's* mission is to contribute to and support the social and economic prosperity of Northern Ontario and Simcoe County communities through Research, education, knowledge transfer, the training of highly-qualified personnel, commercialization, and Centres of Excellence. The role of IPED's Staff is to support the mission and both internal and external stakeholders to the University. Successful commercialization of technologies is achieved through a productive partnership between Lakehead University and the inventor(s). IPED's commercialization process is designed to define the role of all stakeholders to achieve our commitment for successful commercialization of Research-based inventions.

5.2 If an invention has been identified as suitable for IP Protection and commercialization, a legal document will be signed that will establish the working relationship between the inventor and the University. In this relationship, IPED's commitment is to protect the IP, and search for appropriate partners that have the necessary resources, expertise, and business networks to push the technology towards the commercialization pathway. IPED works with all necessary departments and University Established Faculties in order to best support the inventor and the technology. Some of these include: The Office of Research Services; *Ingenuity*, Lakehead's business incubator; the Faculty of Business; the Centre for Innovation and Entrepreneurship Research (CIER); and many other Community Partners, as appropriate.

6. INCREASE IP CAPACITY THROUGH IP EDUCATION AND AWARENESS RESOURCES

6.1 Lakehead University is committed to increasing Intellectual Property capacity through programming and related activities, including the provision of access to IP Education and Awareness resources for all University Persons. Lakehead University is committed to offering:

- Workshops and/or training sessions on Intellectual Property protection
- Workshops on Industry Partnerships and how to broach IP with Industry
- Workshops on Entrepreneurial skills training for University Persons
- Pitch competitions, hackathons and larger events promoting IP skills training, entrepreneurial skills training, social innovation support, and start-up support
- Guidance and encouragement to University Established Faculties to participant in online IP resources and programming
- Online resources regarding IP Literacy, website and course links, program promotion of Community Partners and sharing communications regarding IP Education

- Support for innovators in understanding the value of protecting their Intellectual Property by increasing access to digital education modules. Two foundational online IP courses are available for free in English and French through the [University of Toronto](#) and the [Centre for International Governance Innovation](#). These courses have been endorsed by the Province of Ontario and are available online, free-of-charge. They teach participants about the IP ecosystem and help innovators understand the value of protecting their ideas. The courses also provide participants with essential building blocks to achieve better IP commercialization outcomes and develop basic IP strategies.
- In addition, resources are shared from the [Canadian Intellectual Property Office](#), the [Academy](#) by Patsnap, eCampus ([Knowledge Management and Communication](#)), the Government of Canada's [Safeguarding your Research](#), and the MaRS [Startup Toolkit](#).

7. INVENTION DISCLOSURE POLICY AND COMMERCIALIZATION PROTOCOLS

7.1 General

University Established Faculties (except Lakehead University Faculty Association or “LUFA” members), Staff, and Graduate Students and other members of the University community have an obligation to report new Intellectual Property developed with University support to IPED.

LUFA members are required to provide the University notice within three months of filing a patent application on their own, pursuant to Article 38.01.03 of the LUFA Collective Agreement. The notice should include an assertion of whether or not it refers to an invention, improvement, design or development made with the Extraordinary Support of the University. This notice should be forwarded to IPED's attention. LUFA members are encouraged to report new IP developed with Ordinary or Extraordinary University Support

7.2 Copyright

According to the LUFA Collective Agreement, pursuant to Article 38.02, copyright to the following types of works shall belong to the LUFA Personnel member who prepared such works and may be assigned or retained by them:

- books, articles, and similar printed material written or prepared by a LUFA Personnel member;
- painting, sculpture, music, and similar works of art created by a LUFA Personnel member;
- lectures delivered by a LUFA Personnel member;
- audio and video recordings or digitally encoded representations;
- photographs, film, and other similar recordings for which the content was created by a LUFA Personnel member; and
- computer programs developed, improved, or written by a LUFA Personnel member.

These rights may be re-assigned by LUFA Personnel in various contractual instruments, and caution should therefore be exercised prior to signing legal agreements. Distance education materials are treated differently under the LUFA Collective Agreement. According to the *Copyright Act* of Canada, any other copyright matter developed by a University Person in the course of employment is owned by the University.

7.3 Reporting New Invention Disclosures

To report new Intellectual Property, an [Invention Disclosure Form](#) must be completed and submitted to IPED for evaluation. An Invention Disclosure for a potentially patentable invention should be submitted as soon as the inventor can describe completely how to practice the invention, but before any Public Disclosure, because patent laws limit available patent rights after an “enabling disclosure”. Examples of Public Disclosures include journal articles, newspapers, newsletters, bulletins, textbooks, journals, theses, reports, letters to the editor, some oral presentations, and distribution of a paper copy of a poster at a public meeting. Basically, any dissemination of information regarding the invention that results in a loss of control of who may know about the invention is considered by patent law to be a Public Disclosure. The timeliness of Invention Disclosure submission is therefore very important. The optimum time to report a discovery or invention is when it can be described in detail and there is some data which shows how the invention works. Prior to this, there is seldom sufficient information for the purpose of patent filing. In Canada, a patent must be filed within one year of Public Disclosure, whereas most other countries require filing before any disclosure. Publication of an abstract, paper, or oral presentations in seminars and/or meetings prior to submitting a patent application usually results in the loss of foreign patent rights. While patent filings can be done rapidly once all requisite information is available and funds to pay the patent agent have been secured, several weeks’ notice of pending disclosure is best for thorough protection.

7.4 Works covered by copyright differ from those protected by patent in that copyright vests immediately upon original works of authorship being fixed in a tangible medium. No time bar exists regarding disclosure. Other types of IP protection (i.e. industrial designs, plant breeder rights) have different rules, and will be considered on a case-by-case basis.

7.5 Evaluation of Invention Disclosure

Upon receipt of the Invention Disclosure Form, IPED will review it for completeness. Incomplete Invention Disclosure Forms will be returned to the investigator. IPED will gladly answer questions and provide guidance on how to complete an Invention Disclosure Form. Once the Invention Disclosure Form is complete, including provision of all supporting documentation and execution of the option by Lakehead inventors of their rights, title, and interest in the invention to the University, the Invention Disclosure Form will begin to be evaluated by IPED. For administrative efficiency, IPED communicates through a lead inventor identified in the Invention Disclosure Form.

IPED strives to manage its Intellectual Property portfolio in the best interest of the University, the inventors, and for the public benefit. IPED evaluates reported Intellectual Property and inventions for:

- commercial potential and likelihood of licensing,
- encumbrances and other issues that may complicate patenting and licensing efforts, and
- strength of patent or other IP protection.

It typically takes at least four to eight weeks from the time IPED receives a **completed** Invention Disclosure Form for full evaluation of the reported invention. During the evaluation period, IPED staff will meet with the inventor to learn more about the invention and discuss marketing and licensing strategy. However, some inventions are sent to external review, such as various Centres of Excellence for Commercialization and Research (“CECRs”) that have been set up by the Government of Canada. CECRs require sometimes at least 90 days to review invention disclosures. In addition, some Research grants and contracts require inventors and the University to give notice to external parties of invention disclosures. Depending on these requirements, invention evaluation procedures could be further delayed.

After evaluation of an Invention Disclosure Form, IPED will decide whether to exercise its option and take title to the invention or release title to the inventors, subject to approval as applicable by any Research sponsor. If the University decides to exercise its option, an assignment agreement implementing the standard IPED revenue sharing requirements will be implemented. If the University exercises its option and takes title to the invention, IPED will manage the process of patent or other IP protection as appropriate and begin the processes of marketing and licensing. In such cases, the University pays all (or a portion of) patent, copyright, and licensing costs; some costs may be shared with the inventor(s). Whenever possible, these costs are recouped through license agreements.

7.6 Inventor Participation

Throughout the evaluation and subsequent patenting, marketing, and licensing efforts, inventor cooperation and participation are critical for effective Intellectual Property management and licensing. If the inventor cannot, or will not, fully support the process, IPED may, after consultation with the Vice President, Research & Innovation (VPRI), choose to inactivate the invention file. In this circumstance, title to the Intellectual Property may remain with the University and does not revert to the inventor.

7.7 Assignment of Rights

The ability to effectively protect Intellectual Property and commercialization potential are important elements in IPED's decision to retain title to an invention. Whereas many inventions represent significant scientific or social advancements, not all have the commercial potential to justify the significant expense of patent protection or licensing efforts. In such cases, IPED, after consultation with the inventor, might elect to waive title to its ownership interest in the invention before filing a patent application, and title would then revert to the inventors. At the inventor's request, IPED will discuss the associated rules and encumbrances for acquiring title. For example, IP rights may have been encumbered through a Research contract.

Before investing significant time and other resources into a commercialization matter, IPED will require ownership of the Intellectual Property to be either assigned or optioned to the University. The decision of whether or not to take title rests with IPED upon consultation with the VPRI. Many factors are considered when making this decision. When it is determined that it is not in the best interest of the University to pursue or continue to support patent protection on inventions, IPED can release or waive title to the invention to the inventors. The decision to release or waive title is solely the decision of the University, but it is made in consultation with the inventors.

The decision to waive title usually occurs either after the Invention Review is completed, or after a period of marketing with no commercial interest. Upon mutual agreement, IPED will prepare an Assignment Agreement that covers the release of rights from the University to the inventors or University Person(s), as the case may be. This agreement conveys all title to the invention to the inventors and relieves the University of any future rights or obligations to the technology.

In those instances, where the University has invested in marketing and patent filings, the Assignment Agreement may contain provisions for recouping such expenses and a small ongoing royalty, considered on a case-by-case basis, if the technology is ultimately licensed, following the provisions set out in the LUFA Collective Agreement.

7.8 Commercialization Plan Development

After evaluation of an Invention Disclosure Form and the decision to take on a particular commercialization project, IPED creates a commercialization plan in consultation with the inventors. The Plan includes decisions such as the suitable route for commercialization (i.e. exclusive vs. non-exclusive licenses, territorial and/or field of use licenses, start-up company creation) and modes for protecting Intellectual Property (e.g. patents, copyright, other). It may also include plans to obtain financing to implement the plan or further develop the Intellectual Property or invention to increase the chances of successful licensing. Funding mechanisms can include: *Northern Ontario Heritage Fund Corporation* (NOHFC); FedNor; Industrial Research Assistance Program (IRAP)'s various proof of principle funds; and other sources. IPED will need the assistance of inventors in drafting appropriate grant applications.

Several granting agencies (e.g. *Canadian Institutes of Health Research (CIHR)*, Ontario Centres of Innovation (OCI) and Natural Sciences and Engineering Research Council (NSERC) - now require detailed commercialization plans in certain grant applications. In these circumstances, IPED needs sufficient time to understand your project and custom design a commercialization plan. IPED takes an active role in both the drafting and review of such grant applications. Often commercialization grants require University matching funds. Researchers should ensure that the IPED office is actively involved in the decision of when and where to apply for such grants. Please involve IPED as soon as you consider applying for a grant of this type.

7.9 Decision to Commercialize

As stipulated directly in the [Lakehead University Intellectual Property Policy](#), the owners of IP shall determine whether or not IP will be protected, assigned, licensed, or otherwise commercialized. The name of the University, any trademarks, trade names, or goodwill of the University, and the University letterhead shall not be used in connection with any intention, improvement, design or development in which the University has no interest unless agreed to in advance in writing by the University, although nothing shall prevent a University Person from stating the nature and place of employment, rank, and title in connection with activities associated with the invention, improvement, design or development, provided that the University Person shall not purport to represent the University or to speak for it, or to have its approval, unless such approval has been given in advance in writing from the University. (See LUFA Collective Agreement s. 38.01.07). Involvement of the University in the IP commercialization process shall be in accordance with applicable University policies governing the operation of IPED.

7.10 Profit Sharing Between University and Other Owners/Inventors

Where IP was invented, created or developed in whole or in part by a University Person (except LUFA Personnel) with:

- a) Ordinary Support of the University, the University shall receive 25% of that University Person's share of the Net Proceeds; and
- b) Extraordinary Support of the University, the University shall receive 50% of that University Person's share of the Net Proceeds.

Where IP that is a protected invention, improvement, design, or development was invented, created or developed in whole or in part by a LUFA Personnel, with:

- a) Ordinary Support of the University, the University shall receive 25% of that LUFA Personnel's share of the Net Proceeds; and
- b) Extraordinary Support of the University, the University shall receive 50% of that LUFA Personnel's share of the Net Proceeds.

For greater certainty, the University shall not be entitled to any percentage of a LUFA Personnel's share of Net Proceeds from IP that is not a protected invention, improvement, design, or development, except as specifically set out in the LUFA Collective Agreement.

In the event that the University agrees to be the commercialization agent for IP, the University may receive an additional portion of the Net Proceeds as negotiated with the inventors and mutually agreed upon in writing, amongst the inventors and the University.

Any revenue that the University receives shall be used at the University's discretion (subject to the requirement in paragraph 38.01.08 of the LUFA Collective Agreement that certain revenue be dedicated to Research), except that in each case 25% of such income shall be allocated between the Departments or the Schools with which owners of IP who are University Persons are affiliated, prorated in accordance with the percentage interests of the said University Persons, as determined in accordance with this Policy or as otherwise agreed. (See LUFA Collective Agreement s. 38.01.08)

In addition to any other provision of this Policy, where IP has been created, invented or developed with the Ordinary Support or Extraordinary Support of the University:

a) the owners of the IP who are not LUFA Personnel shall grant to the University a nonexclusive, royalty-free, irrevocable, indivisible, and non-transferable right to use the IP solely within the University. Such right shall not by virtue of this paragraph 7.10 include the right to exploit the IP in any way; and

b) the owners of the IP who are LUFA Personnel shall grant to the University a nonexclusive, royalty-free, irrevocable, indivisible, and non-transferable right to use such IP that is an invention, improvement, design or development solely within the University. Such right shall not by virtue of this paragraph 7.10 include the right to exploit the invention, improvement, design or development in any way. (See LUFA Collective Agreement s. 38.01.04)

7.11 Licensing Process

Strategies for transferring inventions from universities to industry are based upon non-exclusive, exclusive, limited-field, or limited-territory licensing. A non-exclusive license is usually suitable for technologies, such as Research tools, that would be of interest to a number of companies. Exclusive licenses are generally granted for technologies where product development requires significant effort and cost on the part of the licensee. An exclusive market position is often necessary to justify the expense. With some technologies, exclusive licensing by discrete fields of use is more appropriate because it allows parallel commercial development in multiple fields or applications. IPED may also consider limited territorial licensing as well, depending upon the characteristics and markets accessed by potential licensees. IPED welcomes inventor participation in developing appropriate licensing strategies and in establishing certain licensing terms. However, since the University holds title to the invention and assumes the role of licensor, it has the sole liability exposure. Accordingly, negotiation of licensing terms in any agreement is the right of the University; however, prior to any negotiation, IPED will meet with the inventor to discuss licensing terms and strategy.

To determine if a potential licensee is appropriate for a particular technology, the University may require the company to submit a brief business plan that outlines its ability and intent to develop the technology and to bring it to market. Information contained in the business plan is used to determine whether the company is an appropriate match for the technology, field of use, or territory, and will assist in the formulation of a licensing strategy.

7.12 License Agreement

All license agreements must protect the mission of the University by ensuring that inventors retain rights to continue Research in the licensed field, Publish freely, and disseminate tangible Research materials

related to the invention to other academic researchers. In addition, the University requires that all licensees agree to appropriate indemnity and insurance obligations. In order to ensure these retained rights and protect the interest of the University, IPED uses a standard agreement format and usually prepares the first agreement draft. University and company interest and objectives are seldom totally aligned and reaching fair and equitable compromises can be both lengthy and challenging. Whereas the University always enters into such negotiations with the desire to reach mutually acceptable licensing terms, no compromise can be made on matters of academic freedom and institutional liability.

A license agreement defines the structure of a long-term relationship between the University and the company. In a simple non-exclusive license, the relationship may be limited to a one-time delivery of materials and/or payment of royalties. In exclusive licenses, this relationship is more extensive and often involves ongoing collaborations via sponsored Research and consultation between the inventor and the company.

Although the inventors are not a party to University license agreements, all persons receiving income distributions under a license agreement will be required to review the agreement and sign an acknowledgment agreeing to abide by the terms of the agreement and to any proportional royalty distribution among multiple inventors.

7.13 University Start-Up Companies

As part of its mission to commercialize University innovations, IPED will consider licensing requests from University inventors wanting to start new companies with technologies they have created. Although not obligated to do so, IPED is willing to license technology to a start-up company, provided that the inventors demonstrate a clear commitment and ability to develop the licensed technology, and a clear business case to support ongoing operations of the start-up company. Start-up companies are encouraged to locate in Northwestern Ontario or Simcoe County to assist with the creation of local and regional employment.

A business plan should be developed prior to the decision to launch a start-up company, to ensure that the company will be financially feasible. It is recommended that the inventor/founder seek outside advice and guidance regarding the development of their business plan, although some assistance can be provided by IPED. The plan should include:

- Description of Business
- Lakehead University Technology to be Licensed

- Expected Target Market for Product or Service
- Principal Competition/Market Barriers
- Projected Product Development Timeline
- Management Structure (including University Person/inventor participation)
- Capital Needs and Resources (five-year expense/income projections)
- Equity Distribution
- University resources needed

IPED can assist with several aspects of start-up company creation and organization. The University will consider assisting in circumstances where it can obtain an equity position in the start-up company.

Start-up companies require a significant amount of time and resources to create and nurture. In fact, in the technology transfer profession, one start-up company is considered to be the equivalent of ten licensing files. IPED will therefore only be able to participate in a limited number of start-up companies and will do so when a suitable commercial promise exists. IPED will also share the names and contact information of local corporate lawyers who are willing to work with Lakehead start-up companies at a discounted, pre-arranged rate.

8. NET BENEFIT TO ONTARIANS

8.1 Lakehead has made a commitment to make reasonable efforts to maximize the benefit to Ontario resulting from University-owned Intellectual Property.

The University will:

- Provide guidance to all relevant stakeholders regarding the commercialization of IP generated within the University's resources in a manner that seeks to provide a net benefit to Ontarians. Net benefit refers to a net social and/or economic value generated for the people of Ontario, the Ontario economy and/or the Ontario innovation ecosystem
- Prioritize institutional engagement with Ontario- and Canadian-headquartered companies to advance the long-term competitiveness of Ontario and enable economic growth, investment, and job creation
- Provide net benefit to Ontario through the funding and training of Students and highly-qualified personnel
- Provide net benefit to Ontario by supporting social innovation, entrepreneurship and start-ups in both Northwestern Ontario and Simcoe County
- Create and enhance pathways for Ontario-made products to reach the market by supporting entrepreneurship through *Ingenuity* and the *Ingenuity* Community Partners
- Diligently evaluate the potential for commercialization of IP within Ontario through a number of avenues. These avenues could include:
 - i. Working with *Intellectual Property Ontario* (IPON), an agency providing sophisticated IP knowledge, advice and services to support Ontario innovators, researchers, businesses and entrepreneurs

- ii. Working with our outsourced Licensing Professionals to locate companies that benefit Ontario and providing Ontario- and Canadian-headquartered companies with priority access to Ontario-made products
- iii. Providing prioritization of domestic industry partnerships where possible. Where there are no reasonable opportunities for commercialization of IP within Ontario, the University shall take reasonable steps to exploit the IP in Canada, or in such a way that reasonably substantial benefits still accrue to Canada.

9. GUIDANCE FOR RELEVANT STAKEHOLDERS REGARDING INSTITUTIONAL ENGAGEMENT WITH THE INNOVATION ECOSYSTEM

9.1 Lakehead University proudly partners with many existing community resources to leverage expertise and complement our mandate to achieve a higher level of impact. IPED works with its partners and collaborators to accelerate commercialization by connecting the University with various organizations within the region to broaden the entrepreneurial ecosystem for our University Persons.

Through IPED, Lakehead is proud to be an integral part of the entrepreneurial and innovation ecosystem and has gone so far as to implement formal partnerships through signed Memorandums of Understanding with many community partners within the region. These formal partnerships allow Lakehead to collaborate with, and partner on, a vast array of initiatives, events, funding opportunities, resources, programming, and supports for entrepreneurs. [Here](#) you will find a comprehensive and ever-expanding list of: Formal Partners (with whom we have Memorandums of Understanding); other partners who we work with within the innovation space; and our Central Ontario partners.

9.2 Lakehead provides a commitment to partner and work with the extensive entrepreneurial and innovation ecosystems within both regions in all appropriate commercialization endeavours. Leveraging the expertise and resources within both ecosystems provides better support and opportunities for University Persons to success in their commercialization efforts and provide benefit to Ontario.

Review Period: Five years;

Next Review Period: 2027-2028;

Related Policies and Procedures: To be determined;

Policy Superseded by this Policy: None.

The University Secretariat manages the development of policies through an impartial, fair governance process. Please contact the University Secretariat for additional information on University policies and procedures and/or if you require this information in another format:

Open: Monday through Friday from 8:30am to 4:30pm;

Location: University Centre, Thunder Bay Campus, Room UC2002;

Phone: 807-343-8010 Ext. 7929 or Email: univsec@lakeheadu.ca