

**Holland Bloorview**  
Kids Rehabilitation Hospital

**Bloorview**  
RESEARCH INSTITUTE

# Invention Policy



## Preamble

A Holland Bloorview Invention Policy is necessary for:

1. *Intellectual Property Protection:* The invention policy helps in defining and protecting intellectual property (IP) rights. It clarifies ownership of inventions, ensuring that the hospital, researchers, and other stakeholders understand their rights and responsibilities regarding the innovations created within the institution.
2. *Encouraging Innovation:* Having a clear policy in place encourages a culture of innovation within the hospital. It provides a framework that supports, motivates and rewards creativity, fostering an environment where researchers are motivated to explore and develop new solutions.
3. *Commercialization Support:* As a research hospital, Holland Bloorview engages in translational research, aiming to translate scientific discoveries into practical applications for the benefit of clients and families. The invention policy provides guidelines for the commercialization of inventions, detailing the process for bringing innovations to the market as products or services.
4. *Financial Sustainability:* Commercialization of intellectual property can generate revenue for the hospital. The invention policy ensures that the institution receives fair and reasonable value for its intellectual property, contributing to the financial sustainability of the hospital and supporting its research and academic mission.
5. *Technology Transfer:* The policy facilitates the transfer of technologies developed within the hospital to external entities such as industry partners or startups. This transfer can lead to the development of new products, therapies, or interventions that have a positive impact on patient care and public health.
6. *Transparency and Efficiency:* By clearly defining roles, responsibilities, and processes, the invention policy promotes transparency and efficiency in the commercialization practice. This clarity helps in avoiding conflicts and streamlining the management of intellectual property.
7. *Alignment with Institutional Goals:* The invention policy is designed to align with the overall goals and strategic priorities of Holland Bloorview. It ensures that the commercialization efforts contribute to the institution's mission of advancing healthcare, research, and education.

IDEAA: In all aspects of intellectual property, innovation, and commercialization, we are dedicated to promoting an inclusive culture that embraces the contributions of individuals from varied backgrounds, perspectives, and experiences. This commitment extends to the equitable recognition and support of diverse staff, researchers, and stakeholder

## Policy Statement

The Invention Policy has three basic objectives:

1. *To encourage creativity and innovation* within the Holland Bloorview community
2. *To enable transformational impact* for the greatest possible public benefit, including by commercialization through development of Inventions into commercial products or processes
3. To ensure that revenue generated by these Inventions is distributed in a manner consistent with the first two objectives and the advancement of research at Holland Bloorview

## Procedure:

### Term

The term of this Policy shall commence on April 1, 2025 and shall expire on March 31, 2027, at which time it may be revised and renewed.

#### 1. Definitions

- 1.1. **“Bloorview Research Institute”** or **“BRI”** means the Bloorview Research Institute at the Hospital.
- 1.2. **“Commercialization Office”** means the functional operating arm of the BRI that supports the commercialization activities within the Hospital. These activities include evaluating IP disclosures, Intellectual Property protection such as patenting, copyright, securing trademark protection, as well as out-licensing, marketing, contract negotiations and start-up support.
- 1.3. **“Executive Leadership Team”** or **“ELT”** means the Senior Management Team of the Hospital.
- 1.4. **“Hospital”** means Holland Bloorview Kids Rehabilitation Hospital.
- 1.5. **“Intellectual Property Commercialization Committee”** or **“IPCC”** means the committee responsible for advising the Hospital via the Executive Leadership Team (ELT) on: (a) the allocation of revenues after termination of an Inventor’s employment; (b) whether or not to commercialize Inventions or continue IP protection; and (c) the creation of a company as an appropriate vehicle for the commercialization of an Invention.

On some matters, such as company creation, the IPCC will provide advice to the ELT, which will in turn make recommendations to the Hospital Board of Directors.

The IPCC shall consist of staff members who represent the interests and values of the Hospital and the Bloorview Research Institute, including its’ researchers.

- 1.6. **“Intellectual Property”** or **“IP”** means the rights arising from the legal protection of inventions, works and creations (including but not limited to copyright, trademarks, patents and industrial designs); know-how; and trade secrets.
- 1.7. **Institutional work(s):** All tangible materials and any other outcome, output, result and matter developed by (i) Hospital personnel under explicit institutional direction or instruction, or which otherwise arise in the normal course of carrying out assigned responsibilities, duties or tasks of employment; (ii) Hospital personnel and for which such development cannot be attributed to discrete creator(s), or is resulting from simultaneous or sequential contributions over time by multiple contributors; (iii) Hospital personnel in the normal course of carrying out assigned responsibilities, duties or tasks of employment pertaining to Hospital’s educational and training activities, including, without limitation, all educational and training information, manuals, and associated tools and materials (whether in written, electronic, audio-visual, multi-media or other form or format); or (iv) persons hired by Hospital for a specific purpose (e.g. consultants, contract

engineers, software developers). Institutional works may include IP consisting of patent(s), copyright(s), or both.

- 1.8. **“Invention”** means an intangible or tangible invention, work or creation, that is unique and original, and is invented, conceived, developed, created, discovered, made or improved by an Inventor (as defined below), as well as any IP related thereto. Inventions include but are not limited to any new and useful art, process, machine, manufacture or composition of matter, technical information, formulae, computer software and hardware, drawings, graphics, designs, concepts, ideas apparatus, processes, research tools (including without limitation, biological materials, devices and other tangible research property) and any improvements thereof, and all original literary, dramatic musical and artistic works (including without limitation, books, book chapters, architectural works, choreographic works and cinematographic works), all print materials, multimedia electronic and audiovisual materials, manuals, program packages and educational materials.
- 1.9. **“Invention Disclosure Form”** means a form of confidential disclosure attached hereto as Schedule A.
- 1.10. **“Inventor”** means any member of the Hospital staff (including all employees, persons with appointments at the Hospital, students and post-doctoral fellows) or any non-member of the Hospital staff (including visiting staff and volunteers) who invents, conceives, develops, creates, discovers, makes or improves an Invention related to their duties, responsibilities or research at the Hospital.
- 1.11. **“Net Revenue”** means royalty, licensing and other income or equivalent financial consideration or equity received from the assignment or licensing of the rights to an Invention and associated Intellectual Property, less legal and other expenses incurred directly in the process of establishing and maintaining the legal protection of such IP and any third-party payments determined by third party agreements related to the Invention.
- 1.12. **“Public Disclosure”** means any disclosure of Inventions or IP to any individual who is not a Hospital staff member without a confidentiality agreement in place duly signed by an authorized representative of the Hospital, including, without limitation, publication in scientific journals, poster presentations, oral or written abstracts, thesis or dissertation defense, seminar, lecture or informal conversation.

## 2. IP Ownership

- 2.1. In the absence of an agreement to the contrary, duly signed by a signing authority of the Hospital or BRI, Inventors will assign sole ownership of all Inventions to the Hospital, and any moral right contained therein shall be waived in favour of the Hospital.
- 2.2. Inventors shall sign any further documentation that is required to confirm the ownership of Inventions by the Hospital and shall cooperate fully in the preparation, prosecution, filing and maintenance of IP protection.
- 2.3. Notwithstanding the foregoing, the Hospital shall not own copyright in the scholarly articles, papers or theses written by Inventors for the non-commercial purpose of publication in scientific journals or in pursuing academic careers.
- 2.4. The Hospital does not claim any rights to Inventions that have been:

- a) Made prior to an individual being employed by the Hospital;
  - b) Made outside the normal course of Hospital activities, on a Hospital employee's own time, without the aid of resources or funds owned, operated, controlled or administered by the Hospital and unrelated to the employee's duties, responsibilities or research at the Hospital.
- 2.5. In cases where Inventor(s) hold appointments at other institutions outside of the Hospital, determination of rights and the allocation of Net Revenues arising from commercialization shall be subject to the terms and conditions of an agreement between the Hospital and the other institution(s).

### 3. Invention Disclosure

- 3.1. For Inventions intended to be used outside the Hospital or Inventions with any commercial potential, Inventors have a duty to disclose such Inventions to the Hospital by completing an Invention Disclosure Form. This form must be submitted to the Commercialization Office in a timely and thorough manner, prior to any further activity surrounding the Invention, including Public Disclosure of the Invention.
- 3.2. Where there are multiple Inventors of an Invention, the proportionate distribution of the Inventors' share of Net Revenues among Inventors must be declared at the time of disclosure on the Invention Disclosure Form.

### 4. Revenue

- 4.1. The Hospital shall firstly, and in priority to the entitlements of any other parties, receive an amount equal to the expenses incurred in connection with the Commercialization of the IP including but not limited to patenting and legal expenses.
- 4.2. All revenue derived by the Hospital in respect of Institutional Works shall be retained by the Hospital. No Net Revenue will be shared with the Inventors of Institutional Works.
- 4.3. The first one thousand (\$1,000) of Net Revenues generated by the Hospital each fiscal year through the commercialization of an Invention shall be distributed to the Inventor's research program. Any remaining amount will be distributed as follows:
- a) Forty per cent (40%) of Net Revenues shall be distributed to the Inventor(s);
  - b) Forty per cent (40%) of Net Revenues shall be shared between the Hospital, and Bloorview Research Institute, as appropriate.
  - c) Twenty per cent (20%) of Net Revenues shall be distributed internally according to the following:
    - i. if the Inventor is currently a researcher at the Bloorview Research Institute this share will be distributed to the Inventor's research program
    - ii. otherwise, this share will be distributed to the Inventor's department.
- 4.4. If the Inventor(s)'s employment at the Hospital is terminated for any reason, no Net Revenues will be distributed to the Inventor's research program after the date of termination; however the Inventor(s) will continue to receive their portion of the Net Revenue as described in Section 4.1(a) of this policy and any remaining Net Revenues will be allocated at the discretion of the Hospital on the recommendation of the ELT as advised by the IPCC.

## 5. Assignment of IP to Inventors

- 5.1. If, on the advice of the IPCC, the Hospital decides not to protect an Invention, nor to make efforts to commercialize the Invention, or if the Hospital decides to abandon commercialization activities and protection of the associated IP, then the Hospital, at the Inventor(s)'s request, shall assign to the Inventor(s) all rights in and to such Invention or IP ("Assigned Invention") on the following conditions:
  - a) Any revenues generated from the commercialization of the Assigned Invention shall first be used to repay all expenses that have been incurred by the Hospital in connection with the protection of the associated IP;
  - b) Any Net Revenues in excess of the amount specified in Section 5.1(a) shall be distributed as follows:
    - i. Twenty-five per cent (25%) shall be distributed to and shared between the Hospital, and BRI, as appropriate;
    - ii. Seventy-five per cent (75%) shall be retained by the Inventor(s).
  - c) The Hospital shall retain the right to use the Assigned Invention for its internal, non-commercial academic research and teaching purposes and the Inventor(s) shall not enter into any agreement that prohibits the foregoing.
- 5.2. The IPCC shall make best efforts to ensure that decisions regarding the Hospital's intent to commercialize Inventions or protect associated IP will be made within ninety (90) days from the date of its receipt of the Invention Disclosure Form.

## 6. Consulting

- 6.1. As per Scientist Policy, all externally paid activities, including consulting, must be disclosed annually by the Scientist by completing the relationship management attestation.
- 6.2. Under a consulting contract, companies normally require that all patents and other intellectual property created by the consulting hospital staff be assigned to the company as a condition of the consulting arrangement. Such assignments are possible when the work is done without the use of Hospital/BRI resources, in the company's facilities and outside the scope of the consultants' primary research responsibilities. Ensure that any intellectual property rights given away under the consulting agreement are rights that only arose through the consulting arrangement and do not include anything developed through the research program at the Hospital/BRI.
- 6.3. Notwithstanding anything in this Policy, where an Inventor accepts a consulting contract with a company, any remuneration, including but not limited to salary, options or equity received by the Inventor pursuant to such a contract does not fall under this Policy and vests solely to the Inventor, provided that the services provided by the Inventor do not result in new IP, improvements or modifications to IP or reduction to practice of IP, owned by the Hospital since all such services must be the subject of an agreement between the company and Hospital.

## 7. Company Creation

- 7.1. Creating a company to commercialize Inventions requires further investment from the Hospital (financial, administrative or both) and confers more risk to commercialization. Startup company creation will be considered by the Hospital's Board of Directors on the recommendation of the ELT and on the advice of the IPCC and the Inventor(s).

- 7.2. Should the Hospital decide that creating a company is the best means to commercialize the Invention, it will act diligently to enable the creation of such a company, including, when appropriate, seeking outside investment, and the Hospital shall license the Invention to the company. In this scenario all founding equity in the company will be held by Hospital. When received by the Hospital, the proceeds of any disposition of the founding equity will be distributed in accordance with the formula set out in the Section 4 of this Policy. In cases where the Inventor will also play an active role in the company, equity split will be negotiated on a case-by-case basis with input from the Commercialization Office, IPCC and ELT.

## 8. Licensing

- 8.1. Should the Hospital decide that creating a company is not in its best interests, it may, at the Hospital's sole discretion, and on commercially reasonable terms, license the Invention to a company, on the following terms:
- a) If the Inventor(s), alone or collectively hold a ten per cent (10%) interest, or less, in such company at the time such license agreement is executed, any Net Revenue will be distributed in accordance with Section 4 of this Policy.
  - b) If the Inventor(s), alone or collectively, hold more than a ten per cent (10%) interest in such company at the time such license agreement is executed, the Inventor(s)'s share of any Net Revenues will not be paid to the Inventor(s) as described in Section 4 of this Policy and, instead, forty per cent (40%) of the Net Revenue will be redirected to the Inventor(s)'s research program or department. Any remaining revenue will be distributed as per Section 4.3 (b) and (c).
  - c) If the Inventor(s), alone or collectively, hold more than a twenty-five per cent (25%) interest in such company at the time such license agreement is executed, the Inventor(s)'s share of any Net Revenue will not be paid to the Inventor(s) as described in Section 4.3 of this Policy and will instead be redirected to the Hospital and BRI, as appropriate.