CEBU TECHNOLOGICAL UNIVERSITY

TECHNOLOGY TRANSFER PROTOCOL

CEBU TECHNOLOGICAL UNIVERSITY

Cebu City, Philippines

FOREWORD

The Cebu Technological University (CTU) has long been a beacon of innovation and academic excellence in Central Visayas, if not in the Philippines. Our commitment to fostering an environment of research and development has not only propelled us to the forefront of technological advancements but has also positioned us as a crucial contributor to the socio-economic development of our region and beyond.

The establishment of the CTU Technology Transfer Protocol after a series of mentorship from the Department of Science and Technology (DOST) and Intellectual Property Office of the Philippines (IPOPhil) marks a significant milestone in our ongoing efforts to bridge the gap between academic research and industry application. This document serves as a comprehensive guide to the processes, principles, and policies that govern the transfer of technology developed within our university to external stakeholders, ensuring that the benefits of our research are effectively disseminated and utilized.

The Technology Transfer Protocol is designed to facilitate the seamless transition of innovations from the laboratory to the marketplace. It outlines the framework for protecting intellectual property, managing collaborations with industry partners, and commercializing university inventions. We aim to enhance the impact of our research outcomes, promote entrepreneurship, and stimulate economic growth by providing a clear and structured approach,

This protocol is the result of the collective efforts of our dedicated Knowledge and Technology Transfer Office (KTTO) team who have worked tirelessly to create a robust system that supports the university's mission of knowledge transfer. It reflects our unwavering dedication to fostering a culture of innovation, collaboration, and excellence.

As we move forward, the CTU Technology Transfer Protocol will serve as a cornerstone of our strategic initiatives. It will enable us to build stronger partnerships with industry, government, and other academic institutions, ensuring that our technological advancements contribute meaningfully to the betterment of society.

We extend our gratitude to the Intellectual Property of the Philippines (**IPOPHL**), Department of Science and Technology (**DOST**), University President **Dr. Joseph C. Pepito**, Vice President for Research and Development, **Dr. Adrian P. Ybañez**, the CTU Board of Regents and to all those who have contributed to the development of this protocol, as we look forward to the exciting opportunities it will bring. Together, we will continue to push the boundaries of what is possible, transforming ideas into impactful solutions that address the challenges of today and tomorrow.

Engr. Naomi A. Bajao
KTTO Director
Cebu Technological University

UNIVERSITY VISION

CTU is a premier, inclusive, globally- recognized research and innovation, smart, community-responsive, and sustainable technological university.

UNIVERSITY MISSION

The University shall primarily provide leading-edge degree programs, innovative professional, entrepreneurial, and technical instruction as well as research and extension programs that address both needs of the region and the nation in the context of the global knowledge economy, Fourth Industrial Revolution, and sustainability.

UNIVERSITY GOALS

- Obtain a Philippine university system status with a CHED SUC Level V recognition or equivalent;
- Be ranked among the Top 10 Universities in the Philippines;
- Be included in the list of internationally recognized ranking of universities (including Quacquarelli Symonds, Times Higher Education, Shanghai University Ranking, and World University Impact Ranking);
- Pursue efforts to pave way for the development of new programs (including natural sciences and Doctor of Medicine) and Transnational Higher Education;
- Achieve world-class performance and excellence in total quality management; and
- Lead innovation in the Fourth Industrial Revolution.

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I. Rationale

The Cebu Technological University (CTU), aligned with its direction to be a premier multi-disciplinary University and a leader in Intellectual Property (IP) and Intellectual Property Rights (IPR) generation, acknowledges the critical importance of having a comprehensive Technology Transfer Protocol (TTP). The establishment of this CTU-TTP ensures the effective and efficient transfer of technology developed within the university to various stakeholders, including industry partners, government agencies, and the broader community. Moreover, it reaffirms the commitment of CTU to advancing knowledge, fostering innovation, and contributing to the socio-economic development of the region and the nation. The protocol will maximize the benefits of research and development efforts of CTU while safeguarding the IP assets of the inventors and authors and ensure fair negotiation between parties concerned (University, inventors and authors, technology adaptors). Ultimately, it leads to significant and positive impacts on society.

The CTU-TTP, in accordance with the Philippine Technology Transfer Act of 2009 (RA 10055), mandates the promotion of innovation and commercialization of technologies generated from publicly funded research and development (R&D). This protocol serves as a comprehensive framework that outlines the processes and guidelines for the protection, management, and commercialization of Intellectual Property (IP) and Intellectual Property Rights (IPR) generated within the university.

The CTU-TTP establishes clear procedures for the protection of IP and IPR, safeguarding the interests of the inventors and ensuring that their creations are legally secured. It provides a structured approach for IP disclosure, evaluation, protection, and commercialization. This includes specific procedures for licensing agreements, the formation of spin-off companies, and the execution of collaborative research projects.

Moreover, the protocol outlines the steps and best practices for turning research outcomes into marketable products or services. It supports the entire lifecycle of IP management, from the initial recognition of innovative work to its ultimate utilization by the industry and in the market. By doing so, the protocol fosters a culture of innovation and encourages continued research and development.

Additionally, the CTU-TTP provides guidelines for revenue sharing, conflict of interest management, and compliance with legal and regulatory requirements. These guidelines ensure that all stakeholders are fairly compensated and that the commercialization process adheres to ethical and legal standards. Through the implementation of this protocol mainly by its Knowledge and Technology Transfer Office (KTTO), CTU can help maximize the benefits of its research and development efforts, driving economic growth, improving quality of life, and addressing societal challenges.

II. Process Flow: From Technology Creation to Utilization

The process flow in figure 1 outlines the steps involved in managing and commercializing intellectual property:

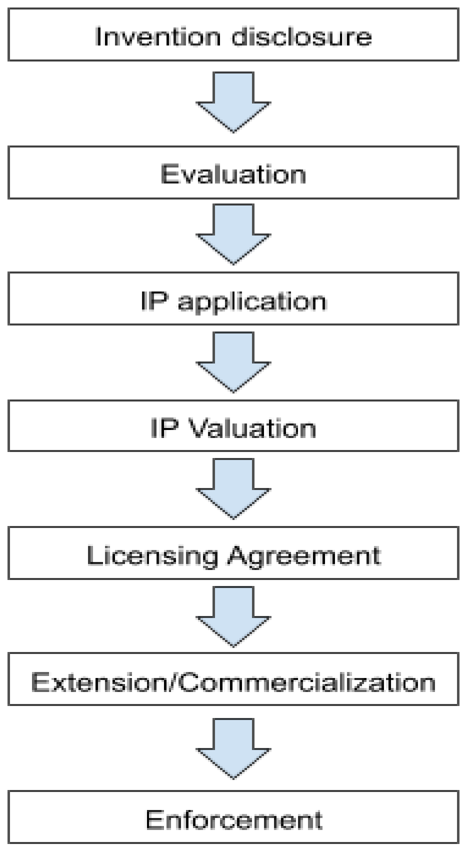

Figure 1. *Technology Creation to Utilization Process Flow*

Invention Disclosure - the initial step involving documentation and disclosing an invention to the university ITSO.

Evaluation - assessment of the disclosed invention to determine its novelty, feasibility, and potential market value.

IP Application - formal application for intellectual property protection

IP Valuation - assessment of the value of the intellectual property as to its potential financial benefits.

Licensing Agreement - negotiation and establishment of agreement between the university, inventors and identified technology adapter/s. The agreement is also prepared to be submitted to Department of Science and Technology (DOST) Fairness Opinion Board in compliance with the Revised Implementing Rules and Regulations of Republic Act 10055 or the Technology Transfer Act of 2009

Extension/Commercialization - deployment of the IP asset as a community extension and/or commercialization. An IP asset is transferred as a community extension project by virtue of a memorandum of agreement when there is no entailment of revenue sharing between the inventor/s and the technology adaptors. On the other hand, the IP asset is transferred as a commercialization endeavor when a technology licensing agreement is signed by both parties stipulating royalty and revenue sharing.

Enforcement - enforcing and regular monitoring and addressing any infringements to ensure that the IP is protected and its value is maintained.

III. Objectives

The CTU-TTP generally aims to acknowledge and reward the contributions of researchers and inventors by providing comprehensive guidelines that address several key aspects. It outlines the incentives available to researchers, ensuring that their efforts and innovations are appropriately recognized and compensated. Specifically, it aims to:

1. Promote innovation and entrepreneurship by encouraging faculty, researchers, and students to engage in innovative activities and develop new technologies with commercial potential;
2. Enhance IP and IPR management by providing a clear and structured approach to identifying, protecting, and managing IP assets created within the university;
3. Facilitate commercialization by streamlining the process of transferring technology from the university to the market, ensuring that innovative solutions reach the end-users effectively and efficiently.
4. Support the lifecycle of IP and IPR management from the initial recognition of

innovative work to its ultimate realization in the marketplace;

5. Strengthen partnerships with industry, government, and other research institutions to support the development and commercialization of new technologies; and

6. Contribute to the regional and national development by leveraging CTU's research and development outputs to drive economic growth, improve quality of life, and address societal challenges in the region.

IV. Scope

The CTU-TTP shall cover all persons, matters, and rights as stipulated in Article 4 of the CTU Governing Policy on IPR as stated below:

(1) **Personnel Covered**. This Technology Transfer Protocol applies to all full-time and part-time faculty members, visiting professors, emeritus faculty, researchers, staff, non-teaching personnel, students, etc., under a contract of employment with the University whether full-time or part-time or on a temporary basis undertaking research and/or creative activities pursuant to any program, project, grant or contract within the premises of the University.

(2) **Matters Covered**. This Technology Transfer Protocol shall cover all research and/or creative activities, tangible research properties or outputs with or without patent or copyright protection, whether utilized for commercial or non-commercial purpose, undertaken using any University resources, including all technology utilization, technology transfer arrangements, technology licensing arrangements, or technology business incubation arrangements.

(3) **Rights Covered**. This Technology Transfer Protocol shall cover all types of CTU owned Intellectual Property Right (IPR) registered in the IPOPHL and recognized under Philippine laws, such Intellectual Property Code of the Philippines (R.A. No. 8293) and the Plant Variety Protection Act of 2002 (R.A. No. 9168) as well as applicable laws of other states but not limited to, such as:

- ❖ Copyright and Related Rights;
- ❖ Inventions in all fields of human endeavor;
- ❖ Trademarks and Service Marks;
- ❖ Industrial Designs;
- ❖ Utility Models;
- ❖ Layout - Designs (Topographies) of Integrated Circuits;

- Geographic Indications;
- Undisclosed Information/Trade Secrets;
- New Plant Varieties;
- Non-biological micro-organisms;
- Non-biological and micro-biological processes;
- Protection against unfair competition; and
- All other rights result from intellectual activity in the industrial, scientific, literary, and artistic fields.

V. Duties and Responsibilities of Officials

The Duties and Responsibilities of Officials shown in Figure 2 outlines the specific roles and tasks assigned to each official. This section details their individual responsibilities, expected outcomes, and the standards they must adhere to ensure clarity in job functions, promote accountability, and help in the efficient allocation of tasks.

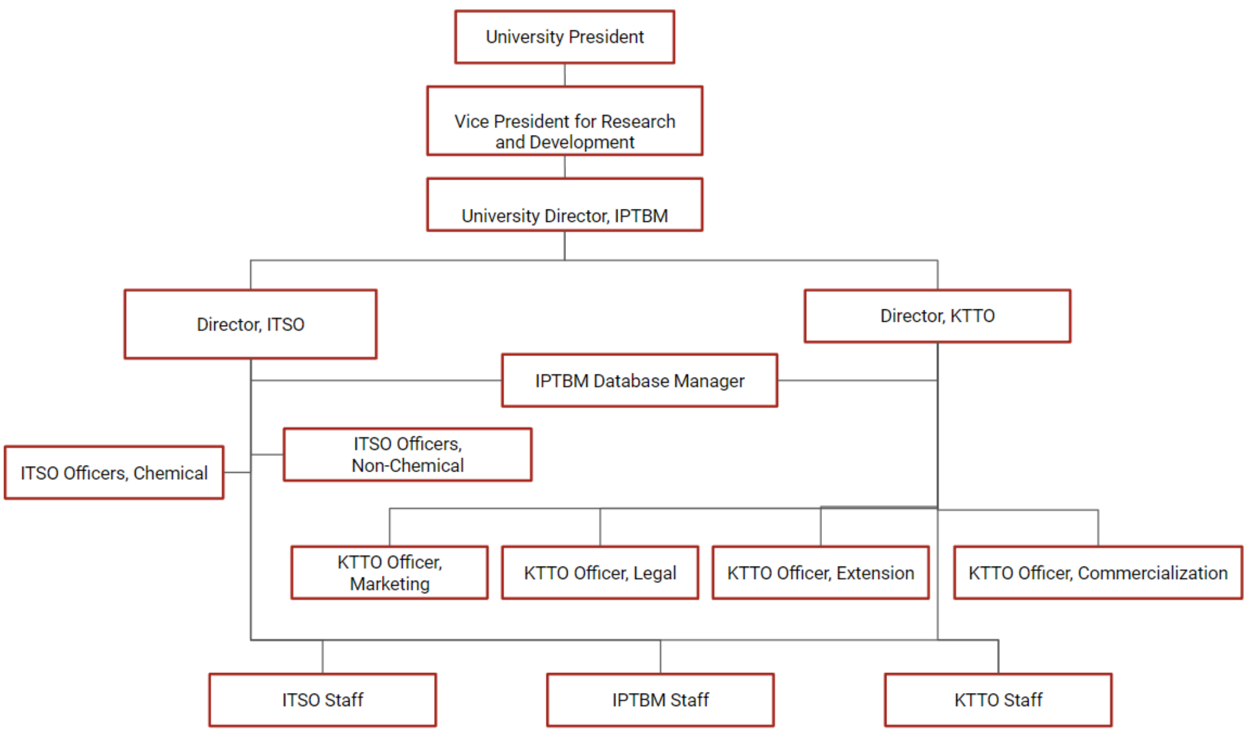

Figure 2. *CTU University Research & Development Organizational Structure of IPTBM*

By defining the duties, CTU can ensure that all Officials understand their roles, contribute effectively to the team, and work towards the institution's objectives.

Figure 3 presents the University KTTO Organization Structure, which is one of the divisions of the Intellectual Property and Technology Business Management (IPTBM) under the

Office of the Vice-President for Research and Development (OVPRD). The KTTO plays a crucial role in bridging the gap between research and practical application. Its primary responsibilities include identifying valuable innovations and intellectual property generated within an organization, such as a university or research institution, and facilitating their transfer to industry or commercial entities. This involves evaluating the commercial potential of new technologies, managing intellectual property rights, negotiating licensing agreements, and fostering partnerships with businesses.

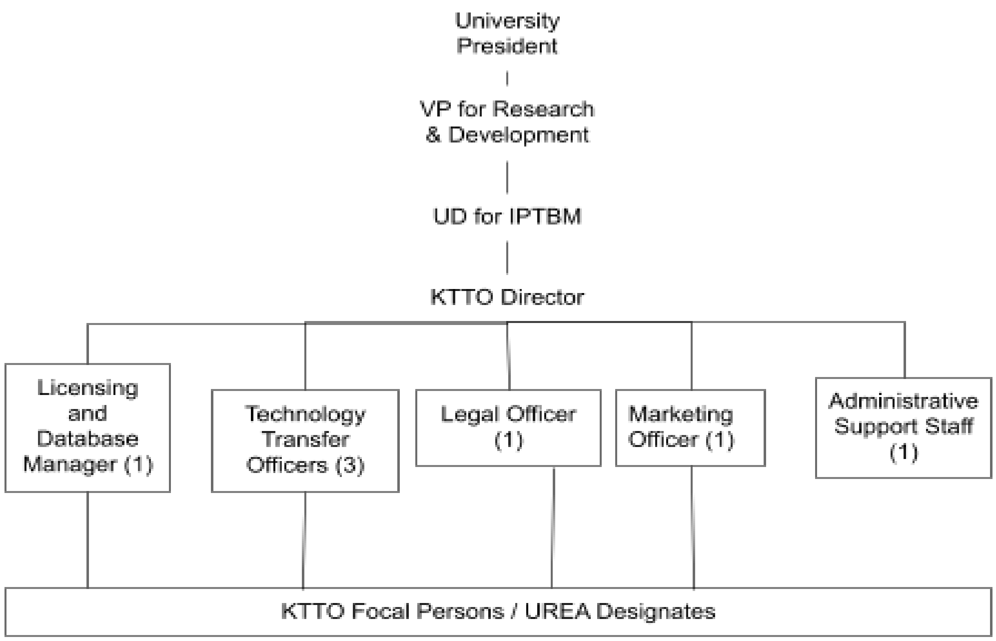

Figure 3. *University KTTO Organization Structure*

Additionally, the KTTO promotes collaboration between researchers and industry stakeholders, supports startup or spin-off creation, and ensures compliance with relevant legal and regulatory frameworks. By doing so, the KTTO helps maximize the impact of research innovations, driving economic growth and societal benefits.

Specific Functions of the KTTO. The KTTO is mandated to perform the following services:

a. administer and monitor the implementation of the IP Policy of the University relevant to technology transfer and commercialization;

b. coordinate with Innovation and Technology Support Office (CTU ITSO) of the University in line with utilization and commercialization of IP assets;

c. undertake CTU IP Assets licensing, transfer or commercialization negotiations;

d. provide IP assessment service, including the valuation of the CTU IP Assets;

e. promote CTU IP Assets ready for commercialization;

f. maintain a database of commercialized CTU IP Assets to ensure traceability;

g. manage CTU IP Assets, including the revenues or the transferred and commercialized technology / IP/IPR; and

h. perform other activities relevant to technology transfer and commercialization of CTU IP Assets, or as directed by the University Director for IPTBM, Vice-President for Research and Development, and/or University President.

Staffing of KTTO. The following positions operate the KTTO:

KTTO Director - A university level administrative position that is designated by the University President through the recommendation of the VPRD. The Director for KTTO shall serve to support the IPTBM and TBIDO activities and shall coordinate with the UREAs on-campus innovation and technology support concerns. The designate shall have functions, duties, and responsibilities equivalent to that of a load of a College Dean and is entitled not to carry more than 6-9 units or hours of teaching load and a teaching workload equivalencies of units of 9-12 units. Appropriate VL/SL shall also be afforded to the designate for regular faculty members. Its core functions shall include the following:

1. Provide support to ITSO and TBI offices for patent licensing and business incubation;
2. Provide support to managing intellectual resources of the university;
3. Facilitate in IP utilization and commercialization between university

research teams and industry partners, including extension services activities;

4. Act as moderator for Fair Opinion negotiation between university researcher and technology adopter;
5. Coordinate with campus UREA personnel assigned to KTTO to identify technologies for commercialization;
6. Conduct activities to help promote the adoption and eventual commercialization of university IP resources; and
7. Perform other functions as the need arises as determined by the UD-IPTBM, VPRD and/or university president.

KTTO Chair / Licensing and Database Manager - A university-level administrative position that is designated by the University President through the recommendation of the VPRD. The position shall evaluate the licensing and commercial aspect of CTU IP assets and help supervise the day-to-day operation of the office. The designate shall have functions, duties, and responsibilities equivalent to that of a load of an Academic Chairperson and is entitled not to carry more than 12-15 units of teaching load and a teaching workload equivalencies of 3-6 units. Its core functions shall include the following:

1. Help manage the KTTO's databases, prepares operational reports, handles invoices from patent counsel, and makes royalty distributions to faculty inventors and creators;
2. Ensure that all materials, licenses, and other legal documents are executed

correctly and uploaded into the KTTO's master database as needed, as well as the applicable agencies;

3. Work with innovators and provide strategic guidance regarding the commercial applicability of their innovations; and
4. Perform other functions as the need arises as determined by the UD-IPTBM, VPRD and/or university president.

Knowledge and Technology Transfer Officers (KTTOs). A university-level administrative position that is designated by the University President through the recommendation of the VPRD. The position shall support the KTTO activities and coordinate with the URAs on-campus innovation and technology support concerns. develop and communicate KTTO strategies to campus project leaders and inventors of technologies with the potential for commercialization. They will work/coordinate with the KTTO Director for Technology Valuation, FOB intervention, capability building activities, and any other activities and/or tasks as directed by the KTTO Director. The designate shall have functions, duties, and responsibilities equivalent to that of a load of an Academic Chairperson and is entitled not to carry more than 12-15 units of teaching load and a teaching workload equivalencies of 3-6 units. There shall be at least three (3) KTTOs (1 for the north campuses, 1 for south campuses, and 1 for the main campus). Their core functions shall include the following:

1. Administer and monitor the implementation of the IP Policy of the University relevant to technology transfer and commercialization;

2. Coordinate with the Innovation and Technology Support Office (CTU ITSO) of the University in line with utilization and commercialization of IP assets;
3. Undertake CTU IP Assets licensing, transfer, or commercialization negotiations;
4. Provide IP assessment service, including the valuation of the CTU IP Assets;
5. Promote CTU IP Assets ready for commercialization;
6. Maintain a database of commercialized CTU IP Assets to ensure traceability;
7. Manage CTU IP Assets, including the revenues or the transferred and commercialized technology/IP/IPR;
8. Perform other activities relevant to technology transfer and commercialization of CTU IP Assets; and
9. Perform other functions as the need arises as determined by the UD-IPTBM, VPRD and/or university president.

Designated University Research and Extension Associates (UREA). A university-level administrative position that is designated by the University President through the recommendation of the VPRD and Campus Director to perform campus-wide functions relevant to KTTO activities. The position shall support the KTTO activities on-campus innovation and technology support concerns. The designate shall have functions, duties, and responsibilities equivalent to that of a load of an Academic Chairperson and is entitled not to carry more than 12-15 units of teaching load and a teaching workload equivalencies of 3-6 units. Its core functions shall include the following:

1. Develop and communicate KTTO strategies to campus project leaders and inventors of technologies with the potential for commercialization;
2. Work/coordinate with the KTTO Director for Technology Valuation, FOB intervention, capability building activities, and any other activities and/or tasks as directed by the KTTO Director;
3. Facilitate/coordinate with KTTO activities relevant to their URA function and as directed by the KTTO director; and
4. Perform other functions as the need arises as determined by the UD-IPTBM, VPRD and/or university president.

Legal Officer. A university level administrative position that handles legal matters and issues relating to CTU IP Assets. This position can be delegated to the Office of the Legal Affairs of the University.

Marketing Officer. A university-level administrative position that is designated by the University President through the recommendation of the VPRD and to perform functions relevant to KTTO activities. The position shall support the KTTO activities on-campus innovation and technology support concerns. The designate shall have functions, duties, and responsibilities equivalent to that of a load of an Academic Chairperson and is entitled not to carry more than 12-15 units of teaching load and a teaching workload equivalencies of 3-6 units. This position is mainly responsible for locating suitable commercial development partners.

Administrative Support Staff. These are Office Staff designated by the OVPRD to act as an administrative support and operational legwork for the KTTO. These may also be Research Assistants that will be assigned by the OVPRD.

VI. Technology Transfer Process and Assessment Tools

The Technology Transfer Process and Assessment Tools of CTU shall undergo the following procedures:

A. Input-Output Functional Application

B. Quality Design (Research Phase)

C. Evaluation of Protectability

1. Patentability Search
2. Invention Disclosure

D. Assessment of Commerciability

E. Scale-up and Detection of Quality (Development Phase)

VII. Technology Testing, Validation, and Production (Production Phase)

CTU-KTTO conducts the technology testing according to the recommendation of the committee assigned to the technology being assessed on a case-to-case basis. On the other hand, technology validation will be processed similarly depending on the type of technology.

VIII. Technology Viability Assessment and Market Capture

This section discusses the comprehensive approach in developing and commercializing new technologies. This involves evaluating the technical feasibility, scalability, and regulatory compliance of the technology, while also assessing market potential through detailed market analysis, defining a compelling value proposition, and crafting effective go-to-market and competitive strategies. This approach ensures that the technology is not only viable but also positioned to achieve significant adoption and market share through strategic planning and execution. The following methods (but not limited to) can be performed:

- **SWOT Analysis**

  SWOT (strengths, weaknesses, opportunities, and threats) analysis is a framework used to evaluate a company's competitive position and to develop

strategic planning. SWOT analysis assesses internal and external factors, as well as current and future potential. A SWOT analysis is designed to facilitate a realistic, fact-based, data-driven look at the strengths and weaknesses of an organization, initiative, or within its industry. The organization needs to keep the analysis accurate by avoiding preconceived beliefs or gray areas and instead focusing on real-life contexts. Companies should use it as a guide and not necessarily as a prescription.
Source: https://www.investopedia.com/terms/s/swot.asp

- **Quad Analysis**

  A Quadrant Analysis chart is a very common tool used for decision making, especially in a business setting. A Quadrant chart is technically a scatter plot that is divided into four sections or quadrants, hence the name. In a quadrant analysis, performance under two parameters is assessed for each entity. Depending on how an entity performs under either of the KPIs, the entity is grouped into either of the quadrants. After identifying which quadrant the entity belongs to, actions can be taken to improve performance under relevant KPIs.
  Source: https://towardsdatascience.com/

- **TRL Score**

  Technology Readiness Level (TRL) is widely used as an approximate measure of a technology's maturity level. This method of evaluating a technology was originally created for the aerospace industry but has been adopted by many other areas of technology as well. The TRL assessment can be used to consistently compare maturity levels between different types of technologies. Technologies are scored on a level between 1 and 9, with 9 being the most advanced technology readiness.
  Source: https://sbirguide.com/

- **Technology Scoring**

  The RICE (Reach, Impact, Confidence, and Effort) technology scoring model is a prioritization framework designed to help determine which products, *features, and other initiatives to put on their roadmaps by scoring these items according to four factors. This would then output a single score that could be applied consistently across even the most disparate types of ideas, giving the team an objective way to determine which initiatives to prioritize on their roadmap. The RICE scoring model can help the team quickly create a consistent framework for objectively evaluating the relative importance or value of a number of different project ideas.*

Source: https://www.productplan.com/glossary/rice-scoring-model/

- **Benchmarking (against existing market products)**

Benchmarking is defined as the process of measuring products, services, and processes against those of organizations known to be leaders in one or more aspects of their operations. Benchmarking provides necessary insights to help CTU KTTO understand how the organization compares with similar organizations, even if they are in a different business or have a different group of customers.

Benchmarking can also help organizations identify areas, systems, or processes for improvements—either incremental (continuous) improvements or dramatic (business process re-engineering) improvements.

Source: https://asq.org/quality-resources/benchmarking

IX. Protocols for Specific Technology Commercialization Pathway

A. Technology Licensing (hardware, machines, process, knowhow, food products)

1. Exclusive Licensing

No person or company other than the named licensee can exploit the relevant intellectual property rights. Importantly, the licensor is also excluded from exploiting the intellectual property rights. If the licensor wishes to continue to conduct any activity covered by the intellectual property (for example, a university licensor may wish to continue its research), or if the licensor has previously granted any rights in relation to the intellectual property, the exclusive license will need to expressly state that it is exclusive subject to those carve-outs.

2. Non-exclusive Licensing

Grants to the licensee the right to use the intellectual property, but means that the licensor remains free to exploit the same intellectual property and to allow any number of other licensees to also exploit the same intellectual property.

3. Joint Venture

A joint venture involves two or more businesses pooling their resources and expertise to achieve a particular goal. The risks and rewards of the enterprise are also shared. The reasons behind forming a joint venture include business expansion, development of new products, or moving into new markets, particularly overseas. A joint venture could give:

- more resources
- greater capacity
- increased technical expertise
- access to established markets and distribution channels

4. IP Assignment/Sale

An intellectual property assignment is the transfer of an owner's property rights in copyrights, trademarks, patents, trade secrets, or other intangible creations. Such transfers may occur on their own or as parts of larger asset sales or purchases. Intellectual property assignment agreements both provide records of ownership and transfer and protect the rights of all parties.

5. Establishment of Spin-off

A corporate spin-off is an operational strategy used by a company to create a new business subsidiary from its parent company. A spin-off occurs when a parent corporation separates part of its business operations into a second publicly-traded entity and distributes shares of the new entity to its current shareholders.

A faculty researcher who would like to create or participate in a spin-off or start-up company as a result of university-funded research may write a letter of intent to the university president in accordance with the rules and regulations stipulated in the establishment of a spin-off company in RA 10055 and its implementing rules and regulations. Such will be handled in coordination with the Office of the Technology Business Incubation and Development (TBID).

B. Commercialization Path Decision Factor

CTU as the owner of the IPR has the first right to commercialize any potential IPR generated in the university. In cases where the University failed to commercialize an IPR one year after it was granted, the inventor/s shall be allowed to commercialize or participate in a spin-off company subject to the provision of RA 10055 Chapter VI. However, the University shall still have all the rights to the IP and can take over the commercialization subject to the provision of Chapter VI Section 2 of this Protocol.

An employer-employee contract shall be established first before the University can undertake any commercialization. The employer-employee contract shall contain the following:

- ❖ duties and responsibilities of the parties,
- ❖ membership of the research team,
- ❖ degree of involvement of each of the researcher team and the support staff,
- ❖ ownership of IP,
- ❖ sharing of monetary and non-monetary benefits,
- ❖ composition of the workforce, marketing, and commercialization team,
- ❖ technology disclosure,
- ❖ management of conflict of interest and
- ❖ trade secret agreement.

Commercialization and establishment of spin-off firm/s by the inventor/author/creator/s shall be in accordance with the provisions of the IRR of the RA 10055 Chapter VI Rule 16 stated below:

Commercialization by Researchers. – In meritorious cases and to help ensure successful commercialization and Research Development Institute (RDI) shall allow its researcher-employee to commercialize or pursue commercialization of the IP and/or IPRs generated from R&D funded by Government Funding Agencies (GFA) by creating, owning, controlling, or managing a company or spin-off firm undertaking commercialization, or accepting employment as an officer, employee, or consultant in a spin-off firm undertaking such commercialization; Provided, That the concerned researcher-employee takes a leave of absence, whenever applicable, for a period of one year and renewable for another year, for a total period not exceeding two years, from the time the researcher signifies in writing that he/she desires to create or participate in a spin-off company; Provided, however, That the researcher-employee may still be allowed access to the RDIs' laboratory facilities, subject to reasonable fees and regulations which the RDIs may impose.

Secondment shall be allowed and shall be in accordance with the existing University code and provisions of RA 10055 and CTU-IP (Intellectual Property) Manual.

C. Drafting the Technology Transfer Agreement

- For funded research study/project/program with private co-operator, after the research is finished and the technology generated is utilized by the co-operator, there should be a technology licensing agreement between CTU and the private co-operator as the recipient of the technology.
- Cooperatives and the like which will adopt or avail of the technology/ies will enjoy minimal charge.
- Private company/ies who are interested in adopting and/or using a technology/ies shall be charged appropriately and in accordance with the computed value of the technology/ies.
- Figure 4 presents the process flow of technology transfer protocol.

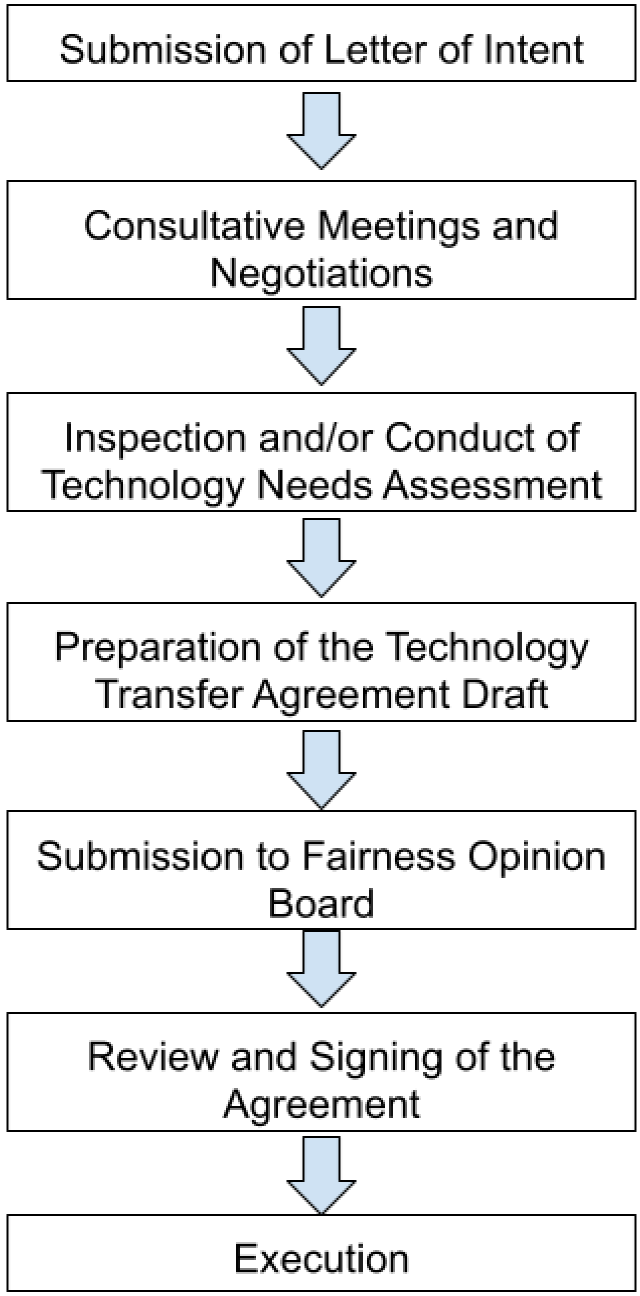

Figure 4. Process flow for technology transfer

D. IP Valuation Procedure

Regardless of the method used, the valuation process requires gathering much information about the IP asset, as well as an in-depth understanding of the economy, industry, and specific business that directly affect its value. This information can be obtained by conducting an event-driven IP audit, as well as background research.

1. Cost Method

Cost Method establishes the value of an IP asset by calculating the cost of a similar (or exact) IP asset. The cost method is particularly useful when the IP asset can be easily reproduced and when the economic benefits of the asset cannot be accurately quantified. This method does not account for wasted costs, nor does it consider any unique or novel characteristics of the asset.

2. Market Method

Market Method is based on a comparison with the actual price paid for the transfer of rights to a similar IP asset under comparable circumstances. This method has the advantage of being simple and based on market information, so it is often used to establish approximate values for use in determining royalty rates, tax, and inputs for the income method.

3. Income Method

The Income Method is the most commonly used method for IP valuation. It values the IP asset on the basis of the amount of economic income that it is expected to generate, adjusted to its present-day value. This method is easiest to use for IP assets with positive cash flows, for those whose cash flows can be estimated with some degree of reliability for future periods, and where a proxy for risk can be used to obtain discount rates.

4. Other Methods

Process for assessing potential IPs:

- Identification and/or recognition of inventor/s, author/s and creator/s shall be in accordance with the CTU Governing Principles on IPR's.
- Evaluation of potential IP's generated from internal funding shall be in accordance with the University's approved procedure in protecting IP's while IP's generated from projects with external funding need not go through the evaluation of the University Intellectual Property Board.
- A confidentiality agreement shall be imposed upon disclosure. Should there be any violation of this, appropriate actions shall be made in accordance with existing laws on infringement, breach of confidentiality or plagiarism.

- A committee shall be created for each filed IP to conduct a feasibility study in order to craft marketing strategies in preparation for the commercialization. The committee shall have a share in the revenue of the said IP. The committee shall be composed of one technical expert & two marketing experts.

XI. Management of Conflicts, Conflicts of Interest, and Conflicts of Commitment

Effectively managing conflicts, conflicts of interest, and conflicts of commitment within CTU-KTTO is crucial for maintaining a harmonious and productive work environment. This involves implementing clear policies and procedures, encouraging open communication, fostering a culture of transparency, and providing training and resources to help the office navigate and resolve these issues constructively.

Conflicts can arise in various contexts, including within teams, between individuals, or between personal interests and professional responsibilities. Managing these conflicts requires transparency, integrity, and proactive measures to identify, mitigate, and resolve potential issues. Key management strategies of KTTO include developing comprehensive policies and guidelines, promoting regular disclosure and transparency, providing ongoing training and education, and establishing formal mechanisms for conflict resolution and oversight. By addressing conflicts in a fair and transparent manner, the office can uphold ethical standards, maintain trust, and foster a culture of integrity and accountability.

The steps of resolving possible conflicts is shown in figure 5. To begin addressing the issue, the initial step involves submission of a formal complaint letter by the complainant addressed to the KTTO Director, outlining the nature of the concern in detail. This letter should be promptly submitted to the KTTO office to initiate immediate action. Subsequently, an En Banc Committee will be established to carefully deliberate on the matter, pooling expertise and insights to reach a comprehensive resolution. Once deliberations are concluded, the committee's findings will be handed over to the legal officer for the formulation of a final resolution. This proposed resolution will then undergo thorough review and approval by the OVPRD to ensure alignment with institutional protocols and standards of fairness.

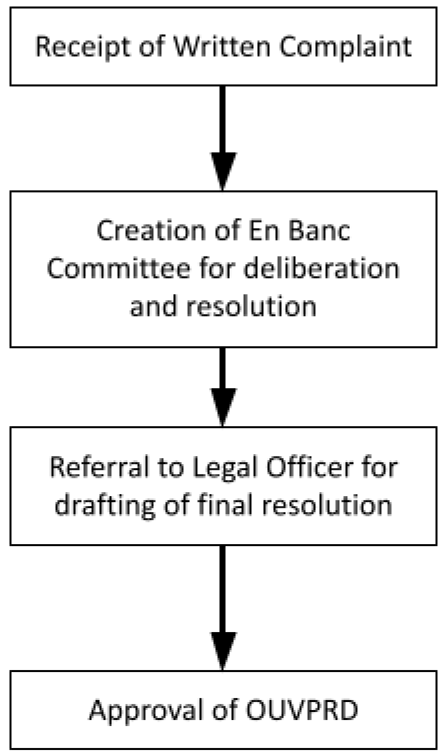

Figure 5. Steps in resolving possible conflicts

In the case where at least one of the parties is not agreeable to the en banc resolution, they are free to bring the case to the court outside the jurisdiction of the university.

XII. Incentives and Commercialization Revenue Sharing

Incentives

Since IPR is one of the important criteria in Institutions leveling and ranking, the incentive of IP revenue sharing an award with cash shall be given to researcher/s just after the filing of patent/UM/industrial design/copyright/plant registry.

An additional incentive of inventors, makers, designers, and artists for every granted industrial design/UM/patent shall be given respectively.

An incentive of award and cash shall be given to each technology adopted for commercialization.

Revenue and Royalty Sharing

Revenue sharing shall be in accordance with Article V of the provisions of the Republic Act 10055 stated below:

Revenue Sharing. - All revenues from the commercialization of IPs and IPRs from R&D funded by Government Funding Agencies (GFA) shall accrue to the Research Development Institute (RDI) unless there is a revenue-sharing provision in the research funding agreement: Provided, That in no case will the total share of the GFAs be greater than the share of the RD!: Provided, further, That in case of joint funding, where research is funded by a GFA in part, and by other entity or entities in part, the RDI may enter into contractual agreements with the other entity or entities providing funding. Sharing of revenues between RDI and researcher shall be governed by an employer-employee contract or other related agreements, 'without prejudice to the rights of researchers granted under. Republic Act No. 8439 or the "Magna Carta for Scientists, Engineers, Researchers, and other S&T Personnel in the Government"'.

- *In case of joint funding, where research is funded by a GFA in part, and by other entities or entities in part, the RDI may enter into contractual agreements, including revenue sharing provisions, with the other entity or entities providing funding. The RDI shall submit a complete and executed copy of the written agreement between it and the other funding entity or entities.*

- *The term revenue shall be defined by the RDI in the employer-employee contract or other related agreements between the RDI and the researcher subject to the provisions of R.A. No. 8439.*

- *With respect to royalties, the same shall also be governed by an employer-employee contract or other related agreements without prejudice to the provisions of RA No. 8439.*

- *Monetary revenues shall include but not limited to royalty payments, proceeds from the sale of IP or technology, upfront technology transfer fees, and dividends or sale from shares of stocks.*

- *Where practicable, all non-monetary revenues shall be converted to the cash value. The RDI shall have the discretion to determine the cash conversion value of the non-monetary benefits provided that the same is consistent with the Research Agreement, employer-employee contract, and existing laws and regulations.*

- *In determining whether non-monetary grants shall form part of revenue, the provisions of the Technology Transfer Protocol of the RDI shall prevail.*

- *Royalty shares shall be based according to the provisions of CTU Governing IP Policy*

Principles on IPR Article 8, Section 2, (a) & (b) as stated below:

(a) In the absence of contractual stipulations to the contrary, royalties derived from copyrights, patents, and other intellectual property rights of the University shall be shared as follows:

(i) Thirty percent of net income shall be given to the University;

(ii) Thirty of the net income shall be given to the project to which the author or inventor belongs. The 50% of the share shall be used for the improvement of the project and the remaining 50% shall be shared by others involved in the project; and

(iii) Forty percent of net income shall be given to the author/s or inventor/s. Joint authors or inventors shall share equally from this portion. Collaborating authors or inventors shall share in accordance with the determination of their participation in the authorship or invention as prescribed by the project leader. (e.g 25% to the lead inventor, 10% to the enablers, and 5% to others involved in the invention)

(b) Net income shall mean gross royalty income less applicable taxes. All other expenses such as administrative costs, filing fees, costs relating to the production, distribution, advertising, maintenance, and similar expenses of the work or invention shall be for the account of the University and shall be taken from its share in the royalty income.

When the University undertakes the commercialization/distribution of the IPs and/or IPRs, royalty share shall be 15% of the gross sale. Further, the researcher/s or author/s shall also have a 20% share in the net profit. Net Profit shall mean gross sale minus royalty, production cost, and other expenses.

Separation from the University

Creators/inventors who comply with the provisions and disclosure requirements outlined in this policy will be eligible to receive the Creator/inventor share of the Intellectual Property Net Income unless countervailing terms are present in the covered person's employment contract or another applicable agreement with the University, and such revenue sharing rights will continue beyond the covered person's employment, enrollment, or other association with the University. The University will not construe Intellectual Property royalty-revenue sharing as wages or salary, but rather as separate income from Intellectual Property commercialization activities.

Successor in Interest

Revenues generated by the invention/s beyond the inventor's lifetime will automatically be transferred to the declared successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest.

XIII. Provision for Gender and Development

CTU is dedicated to promoting gender equality and inclusivity in all technology transfer processes. This provision integrates Gender and Development (GAD) principles into the CTU Technology Transfer Protocol, ensuring equitable access and benefits for all genders.

A. Gender-Responsive Assessment

Incorporate gender analysis in all technology assessments and include members with gender expertise in the formation of assessment committees.

B. Inclusive Participation

Ensure equal gender representation in committees and project teams encouraging participation of women researchers and entrepreneurs through outreach and capacity-building.

C. Training and Capacity Building

Provide regular gender equality training for CTU-KTTO staff and partners and develop educational materials on gender inclusivity in technology transfer in collaboration with the university GAD.

D. Monitoring and Evaluation

Monitor and evaluate the gender impact of technology transfer activities by analyzing gender-disaggregated data for continuous improvement.

E. Reporting and Accountability

Include gender-related metrics in regular reports and allow CTU GAD to conduct annual reviews of gender-responsive practices.

F. Continuous Improvement

Seek stakeholder feedback on gender-responsive practices and make necessary adjustments to regularly update this GAD provision to reflect best practices and emerging trends.

XIV. Amendments

The KTTO upon recommendation by the UD-IPTBM and OVPRD and approval of the University President, may, as it is necessary, amend, revise, and/or add to this protocol through an implementing rules and regulations (IRR) issued by the University President to fully implement the intent of this protocol.

XV. Repealing and Separability Clauses

All other University policies inconsistent with the CTU-TTP are repealed accordingly. If any provision of these rules is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

XVI. Effectivity

Conditions for Effectivity. These guidelines shall take effect after the following conditions are met:

(a) an extensive information and education campaign to be led by the KTTO, which shall coordinate with the various units of the University. This shall commence upon the approval of the CTU-TTP by the Board of Regents (BOR);

(b) the publication of these guidelines through any of the the following platforms:

(i) Memorandum from the Office of the University President;

(ii) University web page;

(iii) Monographs/flyers

The CTU administration shall endeavor to make the CTU-TTP effective upon the approval of the CTU BOR and 30 days after its publication on the University website.

XVII. Forms and Templates

1. Technology Licensing Agreement
2. Spin-off Policy
3. IP Valuation Report
4. IP Inventory Report

TECHNOLOGY LICENSING AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **TECHNOLOGY LICENSING AGREEMENT** is made and entered into by and between:

Cebu Technological University a research academic institution with office address at **R. Palma St., Cebu City**, represented herein by its OIC President, **Dr. Rosein A. Ancheta Jr.**, and hereinafter referred to as **FIRST PARTY**;
-and-

________, a single proprietorship ______________ manufacturing entity with principal business address at _________, represented herein by its owner, **_________,** and hereinafter referred to as **SECOND PARTY;**

WITNESSETH: THAT -

WHEREAS, **CEBU TECHNOLOGICAL UNIVERSITY** is a Research and Development Institute (RDI) created under **RA**_______________.

WHEREAS, pursuant to its mandate, **CEBU TECHNOLOGICAL UNIVERSITY** undertakes to create and develop technologies or intellectual properties that will be effectively translated into useful products and services that will redound to the national benefit of the Filipinos;

WHEREAS, the **CEBU TECHNOLOGICAL UNIVERSITY** created and/or developed intellectual property called the **____________**(the **"Technology")**;

WHEREAS, the **CEBU TECHNOLOGICAL UNIVERSITY** desires that the **Technology** be commercialized or brought to the market so that its benefits can be enjoyed by the general public and the compensation resulting therefrom can help support further research and technology development;

WHEREAS**, INDUSTRY PARTNER** is an entity registered with the Department of Trade and Industry (DTI) under Registration Number ______, and has decided to adopt, utilize, make, produce and/or commercialize the **Technology** and/or the Product using the **Technology** called **_________**(the **"Product"**);

WHEREAS, the parties hereto agree to join forces to adopt, utilize, make, produce and/or commercialize the **Technology** and/or **Product**;

NOW, THEREFORE, for and in consideration of the foregoing premises and the stipulations herein set forth, the parties hereto voluntarily agree as follows:

1. **Grant of License**

CEBU TECHNOLOGICAL UNIVERSITY created, developed and/or owns the **Technology** and has pending application with the Intellectual Property Office of the Philippines (IPOPHL) for the issuance of the **UTILITY MODEL CERTIFICATE**

CEBU TECHNOLOGICAL UNIVERSITY hereby grants to **INDUSTRY PARTNER** a **non-exclusive** and **non-transferable license** to adopt, utilize, make, produce and/or commercialize the **Technology** and/or **Technology/Product** for a period of three (3) years from the execution of this Agreement, provided that **INDUSTRY PARTNER** should produce the **Technology/Product** within twelve (12) months from the execution of this Agreement, meet the demand for the **Technology/Product** and comply with the terms of this Agreement.

2. **License Fee and Royalty**

INDUSTRY PARTNER shall pay **CEBU TECHNOLOGICAL UNIVERSITY** a License Fee of not less than FIVE THOUSAND PESOS (Php 5000) or IP valuation, whichever is lower, for the development of and license to use the **Technology**. Terms of payment for licensing fees can be **one-time or on a six-month installment term.**

INDUSTRY PARTNER shall likewise pay to **CEBU TECHNOLOGICAL UNIVERSITY** a monthly royalty of one percent (1%) of the annual gross sales to be paid **on or before the first week of the succeeding year**.

If **INDUSTRY PARTNER** made improvements on the original production technology of the product/technology or any part thereof licensed under this agreement______ (technology), a royalty payment based on the Gross Sales of the commercial Technology/Product containing the product/technology is to be negotiated and reduced in proportion to the contributions made by **INDUSTRY PARTNER** in making the modified version, and which the royalty may be reduced to as low as 0.5%. Patent applications for the modified version shall be processed solely by **CEBU TECHNOLOGICAL UNIVERSITY.**

3. **Obligations of CEBU TECHNOLOGICAL UNIVERSITY**

CEBU TECHNOLOGICAL UNIVERSITY shall have the following obligations during the effectivity of this Agreement:

a. provide **INDUSTRY PARTNER** with the necessary information on the **Technology** and the production of the **Technology/Product** using the **Technology**;
b. conduct training of the personnel of **INDUSTRY PARTNER** on the **Technology** and the production of the **Technology/Product** using the **Technology**;
c. provide technical and consultancy services as the need arises on the **Technology** and the production of the **Technology/Product** using the **Technology**; and
d. conduct performance appraisal on the use of the **Technology** and the production and commercialization of the **Product.**

4. **Obligations of INDUSTRY PARTNER**

INDUSTRY PARTNER shall have the following obligations during the effectivity of this Agreement:

a. comply strictly with the requirements and specifications of the **Technology** and the use thereof as provided by **CEBU TECHNOLOGICAL UNIVERSITY;**
b. maintain the quality and safety of the **Technology/Product** according to the standards specified by **CEBU TECHNOLOGICAL UNIVERSITY;**
c. provide the land, building, facilities, machinery, equipment, materials, supplies, manpower, administrative support, working capital, and all others necessary in all aspects of the production, marketing and/or commercialization of the **Product**;
d. allow **CEBU TECHNOLOGICAL UNIVERSITY** free access to the production facilities and data;
e. provide for the transportation and accommodation of the **CEBU TECHNOLOGICAL UNIVERSITY** personnel whenever their technical assistance and/or consultancy services are required and pay for the expenses incurred by **CEBU TECHNOLOGICAL UNIVERSITY** in compliance with the obligations stated in Section 3 above;
f. submit periodic reports to **CEBU TECHNOLOGICAL UNIVERSITY** on the production and distribution of the **Product**, profitability, generation of employment and livelihood investment, and other aspects of this Agreement;
g. provide data to **CEBU TECHNOLOGICAL UNIVERSITY** in its conduct of the performance appraisal on the use of the **Technology** and the production and distribution or commercialization of the **Product,** including its performance standard and quality assurance;
h. submit to **CEBU TECHNOLOGICAL UNIVERSITY** duly notarized copies of Financial Statements to determine the **Product**'s gross sales; and
i. submit samples of the **Technology/Product** to **CEBU TECHNOLOGICAL UNIVERSITY** once a year for quality and safety tests/analyses.

5. **Financial Arrangement**

The **Parties** acknowledge that in the absence of any specific agreement in writing to the contrary, each **Party** will be responsible for its own costs and expenses in establishing and conducting programs and activities contemplated under this MOA, including without limitation its own costs and expenses in travel and accommodation.

All financial arrangements should comply with established laws, rules, and regulations on accounting and audit.

6. **Confidentiality or Secrecy**

INDUSTRY PARTNER, its officers, employees, agents and representatives shall keep in strictest confidence any and all information about the **Technology** and the **Technology/Product** and all other data which **INDUSTRY PARTNER** had come to know by virtue of this Agreement, and shall not use any information gained in connection with this Agreement for any purpose other than that specifically stated in this Agreement, and shall not disclose such knowledge to any other party without the prior written consent of **CEBU TECHNOLOGICAL UNIVERSITY.** This Confidentiality or Secrecy clause shall survive this Agreement.

7. **Non-Disclosure Clause**

All technical or commercial information disclosed by **CTU** in connection with this agreement will be received and held in confidence by the **Partner Industry** unless and until **CTU** gives written approval for the release of confidentiality.

The **Partner Industry** will take all reasonable necessary steps to prevent disclosure of the technical or commercial information and others without prior written consent from the **CTU.**

8. **Data Privacy Clause**

The parties shall ensure that safeguards will be put into place so that any information gathered during the processing of disbursements under this agreement will maintain its integrity and accuracy, as well as its strict confidentiality in accordance with R.A. No. 10173, the Data Privacy Act of 2012 and other laws, rules, and regulations.

9. **Intellectual Property Rights**

INDUSTRY PARTNER hereby acknowledges that the **Technology** was created and developed and/or is owned by **CEBU TECHNOLOGICAL UNIVERSITY,** which shall retain all ownership, title, rights and interest in and to the **Technology**. **INDUSTRY PARTNER** shall not and does not claim any ownership, title, right, or interest whatsoever on the **Technology**.

The license granted under this Agreement transfers to **INDUSTRY PARTNER** neither title nor ownership nor any intellectual property rights to the **Technology** or any part or element thereof, or any documentation, or any other proprietary rights embodied or used in connection therewith, except for the limited license expressly granted herein.

INDUSTRY PARTNER shall sign or cause to be signed all documents necessary to perfect ownership rights of **CEBU TECHNOLOGICAL UNIVERSITY** in the **Technology**, including all its intellectual property rights therein, including without limitation all necessary agreements with its employees, agents or representatives.

10. **Technology/ProductMarking or Labeling**

INDUSTRY PARTNER hereby agrees to label the **Technology/Product** as follows: ***An innovative Technology/Product of Cebu Technological University***; however, **INDUSTRY PARTNER** should first seek the approval of **CEBU TECHNOLOGICAL UNIVERSITY** of the Technology/Product Label before its actual use. **INDUSTRY PARTNER** likewise agrees to acknowledge **CEBU TECHNOLOGICAL UNIVERSITY i**n every presentation of the **Technology/Product**. Further, in the event that the Letters of Patent is issued, **INDUSTRY PARTNER** agrees to mark the patented Technology/Product With the patent number.

11. **Infringement by Third Parties**

Each party shall promptly give notice in writing to the other party of any known actual or potential infringement of the **Technology/Product**. Each party agrees to cooperate with, and give reasonable assistance to the other party, in abating or preventing an infringement.

12. **Warranties and Liabilities**

The **Technology**, information, documentation, and all related materials, are provided by **CEBU TECHNOLOGICAL UNIVERSITY** and accepted by **INDUSTRY PARTNER "**as is". **CEBU TECHNOLOGICAL UNIVERSITY** makes no warranties, express or implied, with respect to the performance, merchantability, completeness, capability, fitness for a particular purpose, or non-infringement of the **Technology**/**Product**.

CEBU TECHNOLOGICAL UNIVERSITY shall not be held accountable for any defects, failures and unsatisfactory performance of the **Technology/Product Arising** from any unauthorized deviation in its utilization as specified by **CEBU TECHNOLOGICAL UNIVERSITY.** In no case shall **CEBU TECHNOLOGICAL UNIVERSITY** be liable for consequential, incidental, liquidated, punitive, exemplary, and special damages in relation to the adoption, utilization, production, manufacturing, selling, distribution and commercialization of the **Technology**/**Product**.

INDUSTRY PARTNER warrants that it has all the regulatory licenses and approvals in applying the **Technology** and/or producing the **Technology/Product** and performing its obligations under this Agreement.

13. **Improvements or Modifications**

INDUSTRY PARTNER hereby agrees to promptly disclose to **CEBU TECHNOLOGICAL UNIVERSITY** any improvement, modification, refinement, or other alteration on the **Technology/Product**, called Newly-Developed Technology, which may or may not necessarily constitute one or more inventions, whether patentable or not. There shall be continued access to the Newly-Developed Technology during the effectiveness of this Agreement.

CEBU TECHNOLOGICAL UNIVERSITY hereby grants to **INDUSTRY PARTNER** a worldwide, perpetual, non-exclusive, non-transferable, royalty-free license in the Newly-Developed Technology and all intellectual property rights therein to adopt, utilize, make, sell, offer to sell, distribute or commercialize the said Newly-Developed Technology, or at the option of **CEBU TECHNOLOGICAL UNIVERSITY,** shall transfer the said Newly Developed Technology to **INDUSTRY PARTNER.**

14. **Transfer or Assignment**

INDUSTRY PARTNER shall not transfer, assign, or sub-license the **Technology/Product**, or any part thereof, to any other entity, without the prior written consent of **CEBU TECHNOLOGICAL UNIVERSITY.**

15. **Force Majeure**

Neither party to this Agreement shall be responsible for failure or delay in performing its obligations due to circumstances beyond reasonable control, which include but are not restricted to, acts of God (such as fire, floods, storm and earthquake), explosion, major accident, war, terrorism, labor disputes, fuel shortages, and transportation embargoes or failures.

16. **Relationship of the Parties**

Each party hereto is contracting independently with the other and neither party shall be deemed to be an agent, representative or a partner of the other party as a result of any provision of this Agreement. Neither party shall have the right or authority to assume or create any obligation or responsibility, whether expressed or implied, on behalf of or in the name of the other party or to bind the other party in any manner or for any purpose.

17. **Notices**

Any notice or other communication required to be given under this Agreement by any party hereto shall be in writing and sent by courier service, by electronic mail (e-mail) or by facsimile, to:

KTTO OFFICE - ktto@ctu.edu.ph
Contact person: ENGR. NAOMI BAJAO
Contact number: 032 463 9313 Local 1504

18. **Applicable Laws, Rules and Regulations**

The laws, rules and regulations of the Republic of the Philippines, such as the Philippine Technology Transfer Act of 2009 and its Implementing Rules and Regulations, the Intellectual Property Code of the Philippines, and the Administrative Orders and Circulars of **Intellectual Property Office of the Philippines** and DOST, shall govern the interpretation of this Agreement. In the event of litigation, the venue shall be the proper court in the place where the ____or ____ has its principal office, as may be mutually agreed upon.

Particularly, as required under the Joint DOST-DTI-IPOPHL Administrative Order No. 001 dated 26 June 2012 entitled “Guidelines on Intellectual Property Valuation, Commercialization and Information Sharing of Republic Act No. 10055”, it is hereby stated and understood that:

a. The **Technology** or intellectual property under this Agreement was created with support from the **funding source.** The **CEBU TECHNOLOGICAL UNIVERSITY** has certain rights in the **Technology** or intellectual property under Article VII of the Philippine Technology Transfer Act of 2009;

b. **CEBU TECHNOLOGICAL UNIVERSITY** is hereby allowed to use research findings or results for academic, research and other scholarly purposes and for the same to be published within a reasonable period of time, subject to the requirement that the same shall not constitute a prejudicial disclosure, nor include the disclosure of confidential information as agreed upon by the parties herein; and

c. **CEBU TECHNOLOGICAL UNIVERSITY** reserves the right for itself and others to make and use, solely for non-commercial research purposes, the **Technology** or intellectual property subject of this Agreement.

19. **Arbitration**

The parties shall attempt amicably to resolve any and all controversies, disputes or claims arising out of or relating to this Agreement or a breach thereof. Any such controversies, disputes or claims, which have not been resolved within ninety (90) days after written notice from one party to the other party that such controversy, dispute or claim exists, shall be finally settled by arbitration in accordance with the Procedure of Arbitration of the Arbitration Law of the Philippines or Arbitration Law of the United Nations Commission on International Trade law (UNCITRAL) or the Rules of Conciliation and Arbitration of the International Chamber of Commerce, at the option of **CEBU TECHNOLOGICAL UNIVERSITY.** The venue of arbitration shall be the Philippines or any neutral country, at the option of **CEBU TECHNOLOGICAL UNIVERSITY.**

20. **Effectivity or Term**

This Agreement shall take effect immediately upon the date of signing by the parties hereto and shall remain in force for a period of three (3) years unless otherwise terminated for any cause by **CEBU TECHNOLOGICAL UNIVERSITY.** This Agreement may be extended or renewed upon the mutual consent in writing by the parties herein.

21. **Termination or Cancellation**

The **CEBU TECHNOLOGICAL UNIVERSITY** has the right to terminate or cancel this Agreement without need of judicial action and without any penalty or sanction, at any time before its expiration, for unsatisfactory performance by **INDUSTRY PARTNER** or for its violation of any term of this Agreement or for any cause whatsoever, by giving the other party a written notice at least **THIRTY (30)** calendar days in advance to that effect, which notice shall be final and binding on all the parties.

CEBU TECHNOLOGICAL UNIVERSITY has likewise the right to terminate or cancel this Agreement if **INDUSTRY PARTNER** is adjudged bankrupt or insolvent, or makes a general assignment of its assets or business for the benefit of its creditors; if there is a change of control, merger or consolidation thereof, or a trustee, receiver, judicial manager, liquidator, administrator, or conservator is appointed for **INDUSTRY PARTNER**; if **INDUSTRY PARTNER** files a petition for insolvency, suspension of payments, or to reorganize under the bankruptcy or similar laws; or, **INDUSTRY PARTNER** ceases its business operations, or permits its license or authority to conduct its business to expire or be revoked without said license being immediately renewed.

Within **THIRTY (30)** calendar days after the termination or cancellation of this Agreement, the parties shall settle their respective accountabilities as of the date of termination or cancellation. Should this Agreement be terminated or canceled due to any reason attributable to **INDUSTRY PARTNER**, **INDUSTRY PARTNER** shall be prohibited from using the **Technology** after the expiration of this Agreement.

Upon termination, both parties shall work together in good faith to conclude any outstanding matters and fulfill any remaining obligations as outlined in the project agreement.

22. **Successors and Assigns**

This Agreement shall be binding upon the parties and shall insure to their benefit and the benefit of their permitted successors and assigns.

23. **No Waiver**

The failure or delay of a party to exercise its rights under this Agreement, or any custom or practice of a party in variance with the terms hereof, shall not constitute a waiver by the relevant party of the terms of this Agreement, and the relevant party may demand exact compliance with the terms hereof. Waiver by a party of any particular default by the other party shall not constitute a waiver of any subsequent default of the same or different nature.

24. **Entire Agreement**

This Agreement shall contain the entire agreement between the parties on the subject matter and supersedes all previous agreements or understandings in respect of that subject matter.

25. **Amendments or Modifications**

1. Any provision of this agreement may be amended after a fifteen (15) day written notice and consent by both parties herein.
2. CTU shall have the right to terminate the project with or without clause. The termination will be effective fifteen (15) days after written notice is provided to the other party.

26. **Severability**

If any part of this Agreement is declared void, illegal or unenforceable, the remaining parts of this Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto affixed their signatures this _______ day of ___________________, 20___ in _________________________, Philippines.

Licensor	**Licensee**
By:	By:
DR. JOSEPH C. PEPITO	_________________
President	Owner

WITNESSES:

PROF. SIEGFRIED D. MENDOZA ___________________
University Director, IPTBM

ENGR. NAOMI A. BAJAO ___________________
Director, KTTO

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF)SS.

BEFORE ME, a Notary Public for and in the City of _________________________, Philippines, this _______ day of _________________________ personally appeared the following persons exhibiting to me their respective government-issued identification documents (IDs) specified below:

1. _________________________ Identification (ID) No.:
Issued by:
Issued on:

2. _________________________ Identification (ID) No.:
Issued by:
Issued on:

all known to me to be the same persons who executed the foregoing Technology Licensing Agreement, consisting of _____ pages including this page where this Acknowledgement is written, and they acknowledged to me that the same is their free and voluntary act and deed as well as of the respective entities represented.

WITNESS MY HAND SEAL on the date and at the place first above written.

Notary Public

Doc. No. _______;
Page No. _______;
Book No. _______;
Series of 20___.

Spin-off Policy

Introduction

This Spin-off Policy outlines the procedures and criteria for identifying, evaluating, and executing spin-off opportunities within Cebu Technological University. Spin-offs are considered as strategic actions to enhance shareholder value, streamline operations, and focus on core business areas.

Objectives

The objectives of this policy are to:

1. Clarify the purpose and rationale for spin-offs.
2. Define the criteria for identifying spin-off candidates.
3. Establish a structured process for executing spin-offs.
4. Ensure transparency, governance, and accountability throughout the spin-off process.

Criteria for Identifying Spin-off Candidates

Spin-off candidates will be evaluated based on the following criteria:

1. Financial Performance
   Assessing the profitability, growth potential, and financial stability of the business unit.

2. Strategic Fit
   Determining alignment with the company's long-term strategic objectives and core competencies.

3. Synergy Potential
   Analyzing potential synergies or conflicts with other business units within the organization.

4. Market Position
   Evaluating market share, competitive positioning, and growth opportunities in the industry.

5. Operational Efficiency
   Assessing operational performance, scalability, and cost structure.

Executing Spin-offs

1. Preparatory Phase

   ★ Conducting a comprehensive review of business units to identify potential spin-off candidates.

★ Performing financial analysis, including IP valuation, to assess the feasibility and impact of the spin-off.
★ Ensuring compliance with legal, regulatory, and contractual obligations.

2. Decision Making
    ★ Presenting spin-off proposals to the OVPRD for recommendation to Board presentation.
    ★ Communicating spin-off plans to shareholders and stakeholders, addressing concerns and soliciting feedback.

3. Execution
    ★ Submitting spin off documentation to legal office including necessary governance structures.
    ★ Allocating assets, liabilities, and resources between the university and/or parent company and the spin-off entity.
    ★ Transfering employees, contracts, and intellectual property rights as appropriate.
    ★ Developing a communication plan to announce the spin-off to employees, customers, suppliers, and other stakeholders.

4. Post-Spin-off Activities:
    ★ Monitoring the performance of the spin-off entity and providing necessary support and guidance.
    ★ Addressing any transitional issues or challenges that arise during the post-spin-off period.
    ★ Tracking and reporting on the financial and operational performance of the spin-off and its impact on the parent company.

IP Valuation Report

Title of Technology: ____

Inventor/s: ____
____
____

Protection Applied (please check one):

- [ ] Patent
- [ ] Copyright
- [ ] Trade Secret
- [ ] Utility Model
- [ ] Trademark
- [ ] Industrial Design

IP Valuation Method (please check one):

- [ ] Cost Method
- [ ] Income Method
- [ ] Market Method
- [ ] Other: ______________________

Result of Valuation:

Technology Transfer Plan (please check one):

☐ Extension ☐ Commercialization

Potential Technology Adapter

Name of Business: ____

Contact Person: ____

Contact Number: ____

Email Address: ____

Is the business

operating locally?		Yes		No		Not known
registered with BIR?		Yes		No		Not known
registered with DTI?		Yes		No		Not known
registered with LGU?		Yes		No		Not known

IP Inventory Report

Intellectual Property (IP) Portfolio Monitoring Sheet

Agency-Campus: CEBU TECHNOLOGICAL UNIVERSITY-_______________

Inventory Conducted by: ____________________________________

Campus Research & Development Director

Intellectual Properties / Title of Invention				STATUS			R&D Funding Agency		Technology Transfer Plan (Extension/ Commercialization)	Remarks (If Tech Transfer Plan is Commercialization, list possible technology adaptor)
	Inventor/s (List Lead inventor first)	Email Address of Lead Inventor	Type of IP (Patent, UM, Copyright,etc.)	Date Filed	Date Granted/ Registered	Remarks	PCAARRD	Other Funding Agencies (pls specify)		

XVIII. References

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