



# Bill Summary

## The Protection and Utilisation of Public Funded Intellectual Property Bill, 2008

- The Protection and Utilisation of Public Funded Intellectual Property Bill, 2008 was introduced in the Rajya Sabha on December 15, 2008. The Bill was referred to the Standing Committee on Science & Technology, Environment & Forests (Chairperson: Dr V. Maitreyan), which is scheduled to submit its report within three months.
- The Bill seeks to provide for the protection and utilisation of intellectual property originating from public funded research. “Intellectual property” is defined as right to intangible property, which includes trade mark, patent, design and plant variety.
- Recipients of these funds may be universities, institutions of higher education established for research purposes, or government organisations or a non-profit scientific or educational organisations registered under Societies Registration Act, 1860). A recipient interested in receiving a grant from the government for research purposes, needs to enter into a funding agreement with the government.
- The recipient shall (a) disclose information about public funded intellectual property (intellectual property which is a result of research for which the government has provided a grant) to the government within a specified time; (b) constitute an intellectual property management committee in the specified manner; and (c) perform certain specified duties.
- These specified duties include applying for the protection of public funded intellectual property in designated countries within the prescribed time limit, bearing all financial expenses for its protection, initiating the process of utilisation (commercialisation of the intellectual property or manufacture of a product or process) of the public funded intellectual property, submitting reports within prescribed time limit, and sharing royalties with the intellectual property creator.
- The Bill defines “designated countries” as those countries in which the recipient opts to retain the title. The government shall retain the title if the recipient does not give specified information within a time period.
- An “intellectual property creator” is the person employed by the recipient for research to create the public funded intellectual property. It is his duty to inform the recipient about the creation of a public funded intellectual property. He shall not publish or disclose the public funded intellectual property without prior notice of 30 days to the recipient or the government. He shall receive a minimum of 30 percent of royalties from the public funded intellectual property. Out of the remainder, 30 per cent shall be paid into the fund created by the committee and the rest shall be retained by the recipient for further research and other expenses.
- All disputes shall be settled in accordance with the Arbitration and Coalition Act, 1996.
- If the recipient does not fulfill terms of the agreement or contravenes provisions of the Act, the government shall recover the grant amount with interest rate of ten per cent per annum and bar such recipients from future grants.

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