



Office of the Auditor General of Ontario
Bureau de la vérificatrice générale de l'Ontario

Value-for-money audit of:
University Intellectual Property

2015 Annual Report, Section 3.14

Background

- Intellectual property refers to creations of the mind such as inventions, literary and artistic works, designs and symbols, and names and images used in commerce
- Commercialization refers to the process of getting a discovery or invention to market
- Provincially-funded research generally conducted at universities, not-for-profit research institutions, and research hospitals
- Total provincial research funding to universities between 2009/10 and 2013/14 was \$1.9 billion



Audit Objective

Assess whether:

- Ministry has co-ordinated and effective processes in place to provide research funding to universities, monitor the use of research funding, and assess the benefits to Ontarians; and
- select universities have effective processes in place to manage intellectual property generated from university research, including identifying, protecting, assessing and commercializing intellectual property.



Overall Conclusions

- Ministry not tracking total research and commercialization funding province-wide
- Ministry has not developed plan to monitor whether it is achieving value for money from its investments in research and innovation
- Ontario does not claim intellectual property rights arising from research that it funds



Specific Findings

- Intellectual property generating little revenue for universities
- Universities unable to ensure that all research discoveries by researchers/inventors who used university resources were disclosed
- Patent protection may not always be taken out on a timely basis at universities, increasing risk that others may obtain a patent based on publicly communicated information about an invention



Recommendations

- Ministry should establish processes to track and monitor funding for research and innovation, and any technologies and inventions arising therefrom
- Ministry should track funding for basic vs. applied research, and develop appropriate performance measures for each
- Ontario should assess the pros and cons of maintaining intellectual property rights (ownership, royalty-free use, and/or income sharing) for funded research



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