

INTELLECTUAL PROPERTY POLICY INVENTIONS, PATENT AND LICENSING

Summary: Establishes policy for disclosure and assignment of ownership potentially patentable inventions created in the course of work at Jackson State University or with more than incidental use of Jackson State University resources. Extends this requirement to faculty, staff, graduate students and visitors involved in research. Defines Jackson State University royalty-sharing policy.

I. FOREWORD

Jackson State University strongly affirms its commitment to provide an environment that supports technology-based research and development. The University also appreciates the importance of commercializing such developments for the benefit of the public, the inventor, and the University. Being a participant in developing new knowledge through entrepreneurship is embraced by the University.

II. DEFINITIONS

2.1 Intellectual Property is defined as any technical innovation, invention, discovery, or know how, as well as writings and other information in various forms including computer software. The principal rights governing ownership and disposition of technology are known as “intellectual property” rights, which are derived primarily from legislation granting patent, copyright, trademark and integrated circuit mask work protection. This policy covers only tangible innovations, inventions and know-how; copyright and trademark protections are covered in separate University policies.

2.2 Invention: Refers to any item that reasonably appears to qualify for protection under United States patent law or other protective statutes, whether or not actually patentable, or which appears to be commercially licensable.

An invention is a novel and useful idea relating to processes, machine, manufactures, and compositions of matter. It may cover such things as new or improved devices, systems, circuits, chemical compounds, mixtures, etc.

It is probable that an invention has been made when something new and useful has been conceived or developed, or when unusual unexpected, or nonobvious results have been obtained and can be exploited.

An invention can be made solely or jointly with others as co-inventors. To be recognized legally, a co-inventor must have conceived of an essential element of an invention or contributed substantially to the general concept.

2.3. Patents: A patent is a grant issued by the U.S. Government giving an inventor the right to exclude all others from making, using, or selling the invention within the United States, its territories and possessions for a period of 17 years. When a patent application is filed,

the U.S. Patent Office reviews it to ascertain if the invention is new, useful and nonobvious and, if appropriate grant a patent-usually two to five years later. Not all patents are necessarily valuable or impervious to challenge.

- 2.4 Royalties. A form of income that is received by the inventor and the University as a result of a license granted to a company or other entity to develop, manufacture or otherwise use or produce the invention for sale or distribution. The royalty rate, usually a percentage of sales of the invention, is negotiated as part of the license agreement between the University and the licensee. This agreement is a binding contract.
- 2.6 Substantial Use. Substantial Use of University resources occurs when development or creation involves the use of University resources beyond the following:
- 2.6.1 Customary use of:
- assigned office space, laboratories, or studios, or libraries;
 - library collections, subscriptions or services;
 - secretarial or other staff assistance;
 - computer time or computer or lab equipment on hand;
 - network or Internet access; and
 - standard office equipment and supplies.
- 2.6.2 Sabbaticals; summer or other research grants provided by the University or University affiliated entities; or other support customarily provided to faculty and staff.
- 2.7 Trade Secret refers to almost any secret that is used in business or in research surrounding the development of a tangible product that will give the owner of the secret a competitive edge. Trade secrets are under the protection of state laws; there are no federal trade secret laws. Each individual having access to the secret information must be bound by a contractual agreement called a nondisclosure or confidentiality agreement.
- 2.8 University. University refers to Jackson State University located in Jackson, Mississippi.
- 2.9 University Personnel. University personnel include all faculty and staff with full-time, part-time, or adjunct status, and any other employee, agent or Fellow of the University.

III. PATENT POLICY

A. POLICY

1. Disclosure. All potentially patentable inventions conceived or first reduced to practice in whole or in part by members of the faculty or staff (including student employees) of the University in the course of their University responsibilities or with more than incidental use of University resources, shall be disclosed on a timely basis to the University. Title to such inventions shall be assigned to the University, regardless of the source of funding, if any.

1. Royalties. The University shall share royalties from inventions assigned to the University with the inventor when a Substantial Use of University resources have been provided. See paragraph G (1) of this policy for a detail treatment of royalties allocation.

1. Public Domain. The inventors, acting collectively where there is more than one, are free to place their inventions in the public domain if they believe that would be in the best interest of technology transfer and if doing so is not in violation of the terms of any agreements that supported or related to the work.

1. Reassignment of Ownership. If the University cannot, or decides not to, proceed in a timely manner to patent and/or license any invention, it may reassign ownership to the inventors upon request to the extent possible under the terms of any agreements that supported or related to the work.

5. Waivers. Waivers of the provisions of this policy may be granted by the President on a case-by-case basis, giving consideration among other things to University obligations to sponsors, whether the waiver would result in a conflict of interest. In addition, the President may expand upon these provisions and shall adopt rules, based on the same factors as well as appropriateness to the University's relationship with inventors, for the ownership of potentially patentable inventions created or discovered with more than incidental use of University resources by students when not working as employee of the University, by visiting scholars and by others not in the University's employ.

B. PERSONS COVERED BY POLICY

1. In addition to faculty and staff (including student employees), the provisions of the University's patent policy will extend to:

- a. all graduate students and postdoctoral fellows;
- b. non-employees who participate or intend to participate in research projects at Jackson State University (including visiting faculty, industrial personnel, fellows, etc.)

The policy will apply as stated for graduate students and postdoctoral fellows. In the case of non-employee, all potentially patentable inventions conceived or first reduced to practice in whole or in part in the course of their participation in research projects at Jackson State University with more than incidental use of University resources, shall be disclosed on a timely basis to the University, and title shall be assigned to the University, unless a waiver has been approved.

C. ADMINISTRATIVE PROCEDURES

1. Office of Research Development, Support and Federal Relations (ORDSFR)

ORDSFR is responsible for reviewing terms and conditions of the University's grants and contracts for compliance with University policies on intellectual property rights and secrecy in research. Parts of the mission of ORDSFR is to promote the transfer of JSU technology for society's use and benefit while generating unrestricted income to support research and education. ORDSFR is responsible for the administration of the University's invention filing decisions, petitions to agencies for greater rights in inventions, and negotiation of licensing agreements with industry.

2. PATENT AND COPYRIGHT AGREEMENTS

All Faculty, staff, student employees, graduate students and postdoctoral fellows must sign the JSU Patent and Copyright Agreement (attached to this policy). In addition, non-employees who participate or intend to participate in research projects at JSU must also sign the Agreement. Individuals with prior conflicting obligations regarding the disclosure and assignment of potentially patentable inventions must resolve any conflicts, or obtain a waiver from the Vice Presidents for Research Development, Support and Federal Relations and Provost/Vice President for Academic Affairs. The Office of Human Resources is responsible for getting the Agreement signed, normally at the time of the individual's initial association with JSU.

3. INVENTION DISCLOSURES

An invention disclosure is a document which provides information about inventor(s), what was invented, circumstances leading to the invention, and facts concerning

subsequent activities. It provides the basis for a determination of patentability and the technical information for drafting a patent application. An invention disclosure is also used to report technology that may not be patented but is protected by other means such as copyrights.

Inventors must prepare and submit on a timely basis an invention disclosure each potentially patentable invention conceived or first actually reduced to practice in whole or in part in the course of their University responsibilities or with more than incidental use of University resources.

A Disclosure for describing the invention and including other related facts should be prepared by the inventor and forwarded to ORDSFR. Forms may be requested from the ORDSFR

4. ALTERNATIVE DISPOSITION OF RIGHTS

The inventor, or inventors acting collectively when there is more than one, are free to place inventions in the public domain if that would be in the best interest of technology transfer and if doing so is not in violation of the terms of any agreements that supported or related to the work.

If JSU cannot, or decides not to proceed in a timely manner to patent and/or license an invention, JSU may reassign ownership to the inventor or inventors upon request to the extent possible under the terms of any agreements that supported or related to the work. In the case of an invention resulting from a government-sponsored project, where JSU cannot or chooses not to retain ownership, rights would then typically be retained by the government. In such cases, the inventor may request and be granted rights by the sponsoring agency to an invention made under such an award, provided that a well-conceived and detailed plan for commercial development accompanies the request.

B. LICENSING

University (JSU) encourages the development by industry for public use and benefit of inventions from technology resulting from University research. It recognizes that protection of proprietary rights in the form of a patent or copyright is often necessary, particularly with inventions derived from basic research to encourage a company to risk the investment of its resources to develop the invention. In some cases an exclusive license may be necessary to provide an incentive for a company to undertake commercial development and production. Nonexclusive licenses allow several companies to exploit an invention.

The research and teaching missions of the University always take precedence over patent considerations. While the University recognizes the benefits of patent development, it is most important that the direction of University research not be established or unduly influenced by patent considerations or personal financial interests.

ORDSFR in conjunction with the Office of the General Counsel (OGC), and the Office of Information Technology Development (“ITD”) (when information technology related) handles the evaluation, marketing, negotiations and licensing of University-owned inventions with commercial potential. Royalty distribution is as follows:

(1) Cash royalties

A deduction of 15% to cover the administrative overhead of JSU Research Office is taken from gross royalty income, followed by deduction for any directly assignable expenses-typically patent filing fees. After deductions, royalty income is divided on-third to the inventor, and two-third to the University.

(1) Equity

JSU may at times accept equity as part of the license issue fee. Such equity, managed by the JSU Development Foundation, is assigned to the University. All other payments, including royalties based on sales, will be in cash, and distributed in accordance with the provisions of (1) above.

(2) PATENTABILITY

Not all inventions are patentable. Questions relating to patentability are often complex and usually require professional assistance.

(1) General criteria for patentability

An important criteria of patentability is that an invention must not be obvious to a worker with ordinary skill in that particular field. It must also be novel, in the sense that it not have been previously publicly known or used by others in this country or patented or described in printed publication anywhere.

(2) Loss of patentability

Inventions that are patentable initially may become unpatentable for a variety of reasons. An invention becomes unpatentable in the United States unless a formal application is filed with the U.S. Patent Office within 12 months of disclosure in

application or of any other action, which results in the details of the invention becoming generally available

2. Circumstantial impairment of patentability

Many other circumstances may impair patentability, such as lack of “diligence.” For example, unless there is a record of continuous activity in attempting to complete and perfect an invention, it may be determined that the invention has been abandoned by the initial inventor, and priority given to a later inventor who showed “due diligence.”

3. International variation of patentability regulations

Regulations covering the patentability of inventions and application filing procedures vary from country to country and are subject to change. It is important to note that an invention is unpatentable in most foreign countries unless a patent application is filed before publication.

VALUE OF UNPATENTED INVENTIONS

An invention although unpatentable for various reasons, may still be valuable and important—for example, trade secrets and technical “know-how” encompassing proprietary information of a valuable and confidential nature.

Agencies sponsoring research at JSU usually require reports of all inventions, whether or not they are considered patentable.

IV. GENERAL PROVISIONS

- 4.1 Contractual Obligations of the University. This Policy shall not be interpreted to limit the University's ability to meet its obligations for deliverables under any contract, grant or other arrangement with third parties, including sponsored research agreements, license agreements and the like.
- 4.2 Assignments. No assignments, license or other agreement may be entered with respect to copyrighted works owned by the University except by an official specifically authorized to do so.

- 4.3 Agreement to University Copyright Policy. This Policy is binding on the University and on its employees as a condition of their employment with the University.
- 4.4 Variations from the Inventions, Patent and Licensing Policy. From time to time, it may be in the best interests of the creator and the University to enter into an agreement concerning copyright ownership or commercial development of a work that differs from the terms of this policy. In all such cases, the agreement must be in writing and signed by the inventor, the dean or department head, Vice-President for Research, and Vice-President for OIT (if information technology related), and Provost/Vice President for Academic Affairs. Such agreements should be concluded as soon as practicable in the development of the work to protect the interests of both parties.
- 4.5 Contracts. The Office of General Counsel must approve University contracts prior to execution which are made pursuant to this Policy.
- 4.6 Effective Date of Policy. This policy shall apply to all inventions conceived or first reduced to practice on or after July 1, 2000.

PRESIDENT

APPROVED:
DATE:

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