

University of St. Thomas Policies

INTELLECTUAL PROPERTY

Policy Number: G.05.01

SCOPE

The intellectual property policy shall apply to all persons employed by the University and to anyone using University facilities under the supervision of University personnel, to undergraduates, to candidates for masters and doctoral degrees, and to postdoctoral and predoctoral fellows.

PURPOSE

University faculty, administration, staff and students are regularly involved in scholarly activities that include teaching, scholarship, and other creative activities. While the primary focus of such effort is the advancement of the mission of the University, the products of scholarship often have implications for wider and differing applications.

Accordingly, the discovery of processes and/or inventions, or the creation of other intellectual property, is not an overriding objective of the University. Nonetheless, for any such discoveries or creations, it is the objective of the University to provide an appropriate intellectual property policy.

Such a policy must encourage the development of inventions and other intellectual creations for the best interests of the University, the creator, and the research sponsor, if any. The policy must also permit the timely protection and disclosure of intellectual property whether by development and commercialization (after securing available protection for the creation), by publication, or both. The policy is further intended to protect the interests of all concerned by ensuring that the benefits are granted to the creator, to the University, and to the sponsors of specific research in varying degrees of protection, monetary return, and recognition, as circumstances warrant.

DEFINITIONS

POLICY/PROCEDURES

1. This policy is intended to support University personnel in identifying, protecting and administering matters related to works of intellectual property. Accordingly, the basic objectives of the University's Intellectual Property Policy include the following:
 - a. To advance and encourage scholarly endeavor and research within the University.
 - b. To ensure the basic right of any individual within the University community to write and publish and to protect the traditional rights of scholars concerning the products of their intellectual endeavors.
 - c. To encourage the notion that ideas or creative works produced at the University should be used for the greatest possible public, as well as internal, benefit.
 - d. To make works created during the course of University research available under conditions that will promote their effective development and utilization for the public interest, while providing adequate recognition and incentive to creators through a share in any proceeds derived from such efforts.

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- e. To encourage the creation and dissemination of works developed in the course of University activities, while recognizing each individual's right to income resulting therefrom, except as stated herein.
- f. To recognize the equity of outside sponsors in the endeavors of the University by granting appropriate limited rights to the sponsors, consistent with the University's basic objectives outlined above.

2. Overall Policy

- a. Except for intellectual property included in Sections 2.b and 2.c, this policy shall apply to and the University may assert ownership in intellectual property of all types. This includes, but is not limited to, any invention, discovery, courseware, technology, trade secret, scientific or technological development, and/or computer software, regardless of whether subject to protection under copyright, patent, trademark, or other laws.
- b. The University shall assert its interest in scholarly or educational materials, works of art, musical compositions and dramatic and non-dramatic literary works related to the author's academic or professional field, regardless of the medium of expression as follows:
 - i. In keeping with academic tradition, ownership and copyright of books, articles, and such similar works as musical compositions, choreography, paintings, videos, and films created by individuals, students, and staff, including those works resulting from scholarly research, study, and creative academic activity, remain the sole property of the individuals.
 - ii. The University normally shall assert ownership in software as an invention; however, original software which is content covered by Section 2.b.i, or that is integral to the presentation of such content, shall be owned in accordance with Section 2.b.i.
- c. Notwithstanding the provisions of Section 2.b, the University shall have sole ownership of all intellectual property created by an individual who was hired specifically to produce it or who was commissioned by the University to do so. Except as may be provided otherwise in a written agreement approved by the Board, the provisions of Section 5.b.iii relating to division of royalties shall not apply to intellectual property owned solely by the University pursuant to this Section 2.c.
- d. Any individual who as a result of his or her activities creates intellectual property that is subject to this Policy, other than on government or other sponsored research projects where the grant agreements provide otherwise, should have a major role in the ultimate determination of how it is to be made public, whether by publication, by development and commercialization (after securing available protection for the creation), or both.
- e. The University will provide review and management services for patentable inventions as well as other intellectual property either by its own staff, through a related foundation, or by other means.
- f. Whether development and commercialization of intellectual property is done by exclusive licensing or by the granting of non-exclusive licenses will be handled in accordance with the administrative procedures set out hereinafter and with the approval of the University.
- g. Neither the facilities nor the resources of the University (or its component organizations) may be used (i) to create, develop or commercialize intellectual properties unrelated to an individual's employment responsibilities or scheduled activities (See Section 4.a). Or,

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(ii) to further develop or commercialize intellectual properties that have been released to a creator (See Section 5.b.ii) except as the Vice President for Academic Affairs (VPAA) may approve where the University retains an interest under the terms of the release.

3. Intellectual Property Advisory Committee

- a. Intellectual Property Advisor Committees - To help administer the intellectual property policy and to make recommendations to administrative officers for further referral to the University Administration and the Board (in those cases when action by the University Administration and/or the Board is required), an Intellectual Property Advisory Committee may be established.
 - i. The Intellectual Property Committee will be composed of seven (7) members; three (3) faculty members elected by the Faculty Council; three (3) members appointed by the University President; and one (1) member selected by the Staff Development Committee. Term of membership is three years. The Committee members shall elect a member from among themselves each year to serve as chair.
 - ii. The Committee shall monitor and review technological and legislative changes affecting Intellectual Property and shall report these to the Board of Directors, the President, and the Faculty Senate when such changes affect existing policies or warrant new policies.
 - iii. The Committee shall serve as a forum for receiving and discussing proposals to change existing University policy.
 - iv. The Committee will conduct a formal review of existing policy annually.
- b. The University's Board of Directors is responsible for general oversight of the University's Intellectual Property Policy in accordance with the Board's duties as specified in the Bylaws of the Board and policy 2.2.1 of the *Handbook for Faculty and Administrators*: "The management and control of the affairs of the University and the control and disposition of its property and funds are vested in the Board of Directors."
- c. Among other responsibilities, the Board (or its appointee) will secure protection for intellectual property when appropriate and will police infringements; maintain central databases and files of patent applications, issued patents, copyrights, licenses and agreements; coordinate with component organizations in negotiating and preparing license and other agreements; review and approve as to form all agreements relating to intellectual property.

4. Classifications of Works by Source of Support

- a. Intellectual property that is unrelated to the individual's employment responsibility and has been developed as a result of the individual's efforts on his or her own time with no substantial University support or use of University's facilities.
- b. Intellectual property that is related to the individual's employment responsibility, or has resulted either from activities performed by the individual on University time, or with support by University funds, or from using University facilities.
- c. Intellectual property that has resulted from research supported by a grant or contract with the Federal Government or an agency thereof, a nonprofit or for profit non-governmental entity or by a private gift or grant to, or contract with, the University.

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5. Property Rights and Obligations

- a. Intellectual property unrelated to the individual's employment responsibility that is developed on an individual's own time and without substantial University support or use of University facilities (see Section 4.a) is the exclusive property of the creator and the University has no interest in any such property and no claim to any profits resulting therefrom.
- b. Except as provided in Section 2.3, intellectual property either related to the individual's employment responsibility, or resulting from activities performed on University time, with University funds, or from using University facilities is subject to ownership by the University.
 - i. Before intellectual property covered by Section 4.b is disclosed either to the public or for commercial purposes, and before publishing same, the creating individual ("creator") shall submit a reasonably complete and detailed disclosure of such intellectual property to the VPAA for determination of the University's interest. In those instances, however, where delay would jeopardize obtaining the appropriate protection for the property, the creator may request the approval of the VPAA, to file a patent application or take other steps to obtain available protection prior to the administrative review provided in the following two sections. If granted, the creator may proceed with the filing of available protective measures pending the determination of the University's interest. Either the Chair of the Intellectual Property Committee or the VPAA shall notify the President.
 - ii. If the VPAA recommends that the University not assert and exploit its interest, the creator shall be notified within ninety (90) days of the date of submission. Then the creator is free to obtain and exploit the intellectual property protection in the creator's own right. The University shall not have any further rights, obligations, or duties with respect thereto except that, in some instances the University may elect to impose certain limitations or obligations or retain income rights, depending upon the degree of University support involved in the creation of such property.
 - iii. With respect to intellectual property in which the University asserts an interest, the VPAA (or his/her designee) shall decide how, when, and where the intellectual property is to be protected. If the University decides to seek other available protection for such intellectual property, it may proceed either through its own efforts or those of an appropriate private firm or attorney to obtain protection and manage the intellectual property. Under appropriate circumstances, and with the consent of the VPAA, component organizations may arrange to have services to obtain protection for intellectual property performed by a local outside attorney on a case-by-case basis. It shall be mandatory for all individuals to assign the rights to intellectual property and patents to the University when such creations fall within Section 5.b. In those instances where the University licenses rights in intellectual property to third parties, the costs of licensing and obtaining a patent or other protection for the property on behalf of the University shall first be recaptured from any royalties received by the University, and the remainder of such royalty income (including license fees, prepaid royalties and minimum royalties) shall be divided as follows:
 - 50% to the creator(s); and
 - 50% to the University.

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With the prior approval of the Board, a component organization may adjust the allocation of royalties set forth herein, but in no event shall the creator receive more than 50% or less than 25% of such proceeds. The division of royalties from intellectual property managed by an intellectual property management concern will be controlled by the terms of the University's agreement with such concern, as approved by the University. Any other deviation from this rule requires the prior approval of the Board.

- c. Intellectual property resulting from research supported by a grant or contract with any Federal Government agency, with a nonprofit or for profit non-governmental entity, or by a private gift, grant, or contract with the University shall be subject to ownership by the University. (See Section 4.c.)
 - i. Administrative approval of contracts that contain provisions that are inconsistent with this policy, or other policies and guidelines adopted by the University from time to time imply a decision that the value to the University of the contract outweighs the impact of any nonconforming provisions of the contract on the intellectual property policies and guidelines of the University.
 - ii. The intellectual property policies and guidelines of the University are subject to, and thus amended and superseded by, the specific terms pertaining to intellectual property rights included in federal grants and contracts, or grants and contracts with nonprofit and for profit non-governmental entities or private donors, to the extent of any conflict.
 - iii. When it is possible to negotiate University-wide intellectual property agreements and obtain more favorable treatment for the creator and the University, every effort may be made to do so with the cooperation and concurrence of the VPAA.
 - d. Individuals whose intellectual property creations result from an external gift, grant, or contract shall make assignment of such creations as is necessary in each case in order that the University may discharge its obligation, expressed or implied, under the particular agreement.
 - e. If two or more individuals entitled to share royalty income pursuant to Section 5.b.iii (or equity pursuant to Section 6) cannot agree on an appropriate sharing arrangement, the portion of the royalty income to which the individuals are entitled under this Policy will be distributed as determined by the Board, and such determination is binding on the creators.
 - f. A decision by the University to seek available protection for intellectual property covered by Section 5.b does not obligate the University to pursue protection in all national jurisdictions. The University's decision relating to the geographical scope and duration of such protection will be final.

6. Equity Interests

In agreements with business entities relating to rights in intellectual property owned by the University, the University may receive equity interests as partial or total compensation for the rights conveyed. In any such instance, the component organization where the intellectual property was created may elect, at its option and with the concurrence of the President, to share an equity interest with the creators in the same manner as royalties are shared pursuant to Section 5.b.iii.

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- a. Consistent with Part 51.912, *Texas Education Code*, and subject to review and approval by the Board, employees of the University who conceive, create, discover, invent or develop intellectual property may hold an equity interest in a business entity that has an agreement with the University relating to the research, development, licensing and/or exploitation of that intellectual property.
- b. The University may negotiate, but is not obligated to negotiate, an equity interest on behalf of any individual as a part of an agreement between the University and a business entity relating to intellectual property conceived, created, discovered, invented, or developed by the individual and owned by the University.
- c. Dividend income and income from the sale or disposition of equity interests held by the University pursuant to agreements relating to intellectual property shall belong to the University and shall be distributed in accordance with the provisions of Section 10.
- d. Dividend income and income from the sale or disposition of an equity interest held by a University employee pursuant to an agreement between the University and a business entity relating to rights in intellectual property conceived, created, discovered, invented or developed by such employee shall belong to the employee.

7. Business Participation

- a. Any individual with intellectual property rights shall not serve as a member of the board of directors or other governing board or as an officer or an employee (other than as a consultant) of a business entity that has an agreement with the University relating to that intellectual property without prior review and approval by the President of the University.
- b. When requested and authorized by the University, an individual may serve on behalf of the University as a member of the board of directors or other governing board of a business entity that has an agreement with the University relating to such intellectual property.

8. Reporting

Any individual covered by Sections 6.2, 7.a, or 7.b shall report in writing to the VPAA, or the VPAA's designee, the name of any business entity in which the employee has an interest. Individuals shall be responsible for submitting a written report detailing any change in the interest in such business entities. These reports shall be accumulated in the Office of the VPAA (or designee) and then forwarded to the President by October 1 of each year so that the President may file a report with the University Board.

9. Approval of and Execution of Legal Documents Relating to Rights in Intellectual Property

- a. Agreements that grant an interest in University intellectual property may be executed and delivered in accordance with the provisions of the Office of the President with concurrence of the Board.
- b. Any document altering substantially the basic intellectual property policy of the University as set out in the preceding Sections and other policies and guidelines that may be adopted by the University shall have the advanced approval of the President and the Board. Such an alteration in a sponsored research agreement shall not be considered substantial and the agreement may be executed and delivered as set forth in Section 9.a if, in the judgment of the VPAA and with the concurrence of the President, the benefits from

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the level of funding for the proposed research and/or other consideration from the sponsor outweigh any potential disadvantage that may result from the policy deviation.

- c. The VPAA (or his designee) may execute, on behalf of the University, legal documents relating to the University's rights in intellectual property, including, but not limited to, declarations, affidavits, powers of attorney, disclaimers, and other such documents relating to patent applications and patents; applications, declarations, affidavits, affidavits or use, powers of attorney, and other such documents relating to trademarks; and other documents approved pursuant to Sections 9.1 or 9.b. The VPAA (or designee) may execute, on behalf of the University, organizational applications for registration or recording of transfers of ownership and other such documents relating to copyrights.

10. Income from Intellectual Property

- a. The portion of the net income the University retains from royalties and any other intellectual property-related income shall be used by the component organizations where the income-producing creation originated for research and other purposes approved by the University in accordance with standard budgetary policies. At the option of a component organization, such income may be accumulated in an endowment fund with the income to be distributed for such purposes as may be approved by the University.
- b. With the prior written approval of the VPAA, future royalties payable to a faculty member pursuant to Section 5.b.iii may be assigned to the component organization by the faculty member and designated for use in research to be conducted by the faculty member.

11. Implementation of Intellectual Property Policy

The Office of the VPAA will prepare and distribute such model agreements and recommended procedures as may be appropriate for the implementation of the provisions of this policy as well as other policies and guidelines adopted by the University.

12. Construction of Documents

Unless otherwise required by law, each intellectual property agreement approved hereunder shall be construed in accordance with the Intellectual Property Policy in existence as of its approval date.

APPROVED: Dr. Robert Ivany

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