

Guidance Document
Relating to Students, Student Competitions and Related Activities
and
Application of University Policy 7-002: Patents & Inventions

Adopted by the University of Utah Vice President for Research,
effective January 1, 2020

1. Application of Inventions Policy to Students Generally.

Students are subject to University Policy 7-002: Patents & Inventions (the “**Inventions Policy**”). The Policy governs ownership of intellectual property—*inventions*—as between the University and various categories of its employees, and students. The Policy provides that, as a general rule, students own inventions they create while acting in their capacity as students, except in the limited instances summarized, below (and for full details, the Policy itself should be consulted):

- a. The University owns inventions created by students as a consequence of **University research**. University research generally includes basic or applied research projects supported or funded by the University including, for example, commercially sponsored research and federally funded research.
- b. The University owns inventions created by students through the **non- incidental use of the institution’s resources**, for example, property, equipment and facilities. Pursuant to the Inventions Policy, a student’s use of University resources that are made available to the student and his or her classmates generally is merely *incidental*, for example, library resources.
- c. The University will **jointly own** a student invention with the student inventor(s), if the invention is **co-created by a University faculty or staff member**.

2. Definition of “Student” for Purposes of This Guidance Document.

- a. Because the Inventions Policy (Policy 7-002) provides principles for ownership of inventions by *students* that are different in some respects from the principles applicable for inventions by *other University personnel*, and because an individual may simultaneously have roles as both a student and a University employee, it becomes necessary to determine whether or not an individual should be classified as a student, for purposes of determining how the Inventions Policy is to apply for ownership rights for a particular invention. This document provides guidance for making that student-status determination. These definitions and explanations apply solely for purposes of this Guidance Document regarding the Inventions Policy, and not for any other University Regulation.
- b. Postdoctoral Scholars (e.g., research associates, fellows, etc.) are *not* considered students for purposes of this Guidance Document and the Inventions Policy.

- c. The term “student” does not include any individual who is simultaneously a University employee of any kind, to the extent the student-employee is acting in the capacity of a University employee in performing the activities leading to an invention. Such an individual is instead considered as an employee for purposes of applying the Inventions Policy for the resulting invention.
- d. Subject to the student-employee limitation of section c above, the term “student” includes (i) all University undergraduate students, and (ii) those graduate students whose tuition *and* living expenses are funded by non-University sources.

Examples of students who fund tuition and living expenses through *non-University* fund sources include:

- 1. A law student or medical student who pays their own tuition and living expenses.
- 2. A graduate student who relies entirely on federally guaranteed loans to pay tuition and living expenses.
- e. The term “student” does *not* include a graduate student whose tuition or living expenses are paid using University funds and, consequently, whose role more closely resembles that of an employee for purposes of applying Policy 7-002.

Examples of students who fund tuition and/or living expenses through *University* fund sources include:

- 1. A graduate student who receives tuition benefits or stipends as a teaching assistant, research assistant, or fellow.
- 2. A bioengineering graduate student / research assistant who receives a tuition benefit through the University Tuition Benefit Program.
- f. Further clarification of what constitute *University funds*, for purposes of determining student or employee status for the Inventions Policy (Policy 7-002).
 - i. Scholarships, waivers and stipends funded by private donors or other, non-University sources are *not* considered “University funds” under this Guidance Document, even if the University administers such scholarships or stipends.
 - ii. Funding for *individual* student grants, loans or work study programs through Federal Student Aid (FSA) is *not* considered University funds under this Guidance Document, even if the University administers funds from these programs.
 - iii. University funds *do* include tuition benefits from the Graduate School’s University Tuition Benefit Program.
(<https://gradschool.utah.edu/tbp/tuition-benefit-program-guidelines>)
- g. Notwithstanding this Guidance Document, there will be individuals who remain uncertain whether they will be treated as students for purposes of the Inventions Policy. Such students shall meet with the Center for Technology & Venture Commercialization (TVC) <http://tvc.utah.edu/>. TVC shall evaluate each

circumstance and provide a recommendation to the Vice President for Research for formal approval. *This meeting should take place prior to commencing with ANY commercialization and patenting activity for an invention.*

3. FAQ's--Frequently Asked Questions and Answers regarding students and inventions.

a. Inventions Created in Coursework.

i. As a student, will I own inventions I create as part of my coursework?

Answer: Yes, in the absence of certain circumstances. Generally, a student will own an invention they create as part of University coursework, whether or not the course is an elective, and whether or not the student will receive a letter grade. *Exceptions* to this general rule including the following circumstances, as described more specifically above:

1. The project constitutes University research;
2. The student inventor creates the invention with non-incidental use of University resources; or
3. A faculty or staff member is a co-inventor of the invention, in which case the invention will be jointly owned by the student inventor and the University.

ii. Are there educational opportunities that will require that I assign to the University rights to inventions I create as part of the arrangement?

Answer: Some students elect to participate in internships, externships and other course-related projects, on the condition that a non-University sponsor of that arrangement will own the participating students' intellectual property created as part of the arrangement.

1. Such arrangements are not generally permissible when they relate to *required* courses.
2. Such arrangements should be explained to students at the outset of the arrangement.
3. Participating students might be required to execute an invention assignment agreement, as a condition of participating in the arrangement.

b. Inventions Created in Student Competitions. Generally, inventions created solely by students participating in competitions sponsored by University departments or units (for example, the Center for Medical Innovation) are owned by the student inventors, except as noted in this Guidance Document.

i. Does the competition itself constitute "University research" under the Inventions Policy? Answer: No. University-sponsored student competitions generally do not constitute "University research" under the Inventions Policy.

ii. If the University makes available to all competing students or teams "seed" funding or other resources for the competition, will acceptance of

this funding or other resources constitute “non- incidental use” of University resources? Answer: Generally, no. Because the University makes these resources available to all competing students or teams, acceptance and use of the resources would constitute only “incidental” use of University resources, for purposes of the Inventions Policy.

- iii. *At what point will use of University resources constitute “non- incidental” use of University resources, thereby giving the University an interest in inventions created by student competitors? Answer:* Not surprisingly, student competitors have access to many University resources, only some of which are directly related to the competition. Consequently, whether particular competitors have made non- incidental use of University resources must be determined on a case-by-case basis. Following are some general guidelines:
 - 1. Presumably, reasonable use of University resources that is necessary and appropriate for participation in the competition will be deemed merely "incidental".
 - 2. Use of University resources made generally available to all competitors, or to University students generally, will be deemed merely “incidental”.
 - 3. Use of University resources, in exchange for which competitors pay the University fair value, will be deemed merely “incidental”.
 - 4. Use of all other resources will be presumed to be "non- incidental".
 - 5. Use of particular University resources in the course of a competition might be deemed “incidental” within the course and scope of the competition; however, use of the same resources before commencement, or following completion, of the competition might constitute “non- incidental” use of University resources. Consequently, competitors should be cautious about assuming that further development of their inventions following a competition will entail only incidental use of University resources.
- iv. *What if I create a technology that has commercial potential, and the University offers to support further development of the technology through additional money or University resources or otherwise offers to provide commercialization support? Answer:* Occasionally, the University offers additional funding or other University resources to specific student competitors or teams to enable students to further develop and/or commercialize technologies they create in the course of competitions. As a condition of providing such additional funding or other resources, the University might require that student inventors assign their intellectual property to the University. In exchange for services by the University, some ownership share of the commercial enterprise that ultimately commercializes the invention may be granted to the University.

1. These arrangements must be documented prior to the students' receipt of the additional University funding or other resources.
 2. Unless the University agrees otherwise in writing (for example, in a case where student inventors assign the invention to the University, student inventors will be solely responsible for protecting the technology through applicable patent, copyright, trade secret and other intellectual property laws.
 3. The University might insist on obtaining non-exclusive rights to use the technology for non-commercial purposes.
- v. *What should I expect in a “skunkworks” competition sponsored by a non-University party?* Answer: A “skunkworks” competition is typically a competition, sponsored by a for-profit business, in which teams compete to craft the best solution to a specific problem identified by the corporate sponsor. Winning entries are often awarded cash prizes. Corporate sponsors take a variety of approaches to inventions created in the competition, any of which might apply to a particular competition hosted by the University including, for example, the following arrangements:
1. The corporate sponsor will have no particular rights in any solutions proposed by competing teams, including those of competition winners;
 2. The corporate sponsor will have a non-exclusive, royalty-free right to use any solution proposed by any competing team;
 3. The corporate sponsor will have an exclusive, royalty-free right to use any solution proposed by the winning teams;
 4. The corporate sponsor will have an exclusive option to negotiate licensing rights to use solutions proposed by the winning teams; and / or
 5. Competing teams are prohibited from submitting competition entries that include intellectual property belonging to the student competitors, including any ideas team members conclude are proprietary.
- Generally, competing teams will be required to agree to one of the foregoing arrangements prior to, and as a condition of, entry in the competition.
- vi. *What if expectations or instructions of donors funding competitions are inconsistent with the University’s standard approach for student competition intellectual property?* Answer: The University will generally strive to comply with the expectations and objectives of donors who fund a significant portion of costs associated with a particular competition.
- vii. *If I create an invention as a consequence of a student competition, should I consult with TVC?* Answer: In all instances described in this Section 3(b) regarding student competitions, students must meet with the Center

for Technology & Venture Commercialization (TVC) <http://tvc.utah.edu/> in order to clarify ownership of intellectual property. TVC shall evaluate each circumstance and provide a recommendation to the University's Vice President for Research for formal approval. ***This meeting should take place prior to commencing with ANY commercialization and patenting activity relating to an invention.***

- c. ***Use of University TVC Commercialization Resources.*** *In commercializing their competition, research or course-related inventions, are student inventors entitled to use resources provided by the University's Center for Technology & Venture Commercialization?* University-owned inventions are eligible for significant University resources intended to: (a) identify commercialization opportunities, (b) fund further technology development, (c) protect the inventions under U.S. and foreign intellectual property laws, and (d) license the inventions to established companies or create companies for purposes of commercialization.

Answer: Yes, however, the TVC might require that all students having created the invention first agree to assign to the University the inventors' interest in the invention, with the possibility that the invention will be licensed to a commercial entity formed and owned by the student inventors, in which University or its affiliate will hold an equity stake.

- i. All resources available to companies licensing University technologies will be available to protect and commercialize the student technology assigned to the University.
 - ii. A company, usually owned by the student inventors, likely would license the technology from the University.
 - iii. Licensing terms would reflect the fact that students voluntarily assigned the technology to the University. In other words, such license terms will be more favorable to the licensee than otherwise would be the case for inventions owned by the University from the outset.
 - iv. Student inventors will receive the "inventors" portion of royalties and other licensing fees generated by the license arrangement, consistent with the Inventions Policy. Inventors (collectively) receive from the University between 40% and 33% of all proceeds the University receives for commercialization of University-owned inventions (for example, licensing fees and royalties, less the costs of protecting the invention).
- d. ***Assistance or Support from University Faculty or Staff Members.*** *What if I solicit advice from University faculty or staff members for my coursework, research or competition project resulting in an invention?* Students should use caution in engaging University faculty and staff members for purposes of developing technologies for purposes of student competitions or relating to student coursework or research projects. For example, a faculty member's general guidance and advice concerning research processes (that is, how to validate whether a proposed solution to a problem works) likely would *not*, standing alone make the faculty member a co-inventor of the resulting

technology. However, a faculty member's inventive contribution to the technology itself (that is, how to solve the problem presented) *might* make the faculty member a co-inventor of the technology.

As a consequence, the University might share an ownership interests in the technology by virtue of the faculty or staff member's contribution.

Notwithstanding the foregoing, in limited circumstances, the University may assign back to the inventors the University's interest in inventions, assuming the University determines not to commercialize the invention and concludes that it is in the University's interest to release the invention.

4. *Further information.*

For further information about this Guidance Document, and the Inventions Policy (Policy 7-002) and its application for students, contact the University's Center for Technology & Venture Commercialization.

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