

Policy 7-002: Patents and Inventions

I. Purpose and Scope

To outline the University's Policy regarding patents and inventions. This policy applies to all University administrative officers, faculty members, non-faculty academic employees, staff members (whether full or part-time) and students.

II. Definitions

For the purposes of this policy, the following works and phrases have the meanings indicated.

- A. "**Area of expertise**" means, with respect to a faculty member (including regular faculty members and auxiliary faculty members), his or her specialized skills or expertise, as indicated by the instructional, clinical and research activities the faculty member performs, or has performed, on the University's behalf.

The "area of expertise" of an administrative officer, staff member (including student-employees) and non-faculty academic employees is indicated by the specialized skills or expertise that employee must have to perform his or her University duties and responsibilities.

Questions regarding whether a particular invention arises within the scope of an inventor's area of expertise for purposes of this policy will be referred to the Director of the Technology Commercialization Office ("TCO"), who will make a determination in consultation with the inventor and his or her department chair. In the event the inventor, the TCO Director and department chair disagree regarding the inventor's area of expertise, the determination will be made by the vice president for research, in consultation with the inventor, the TCO Director and the department chair.

- B. "**Inventions**" shall mean and include: inventions, technological advances, scientific discoveries and improvements (whether or not patentable); all trade

secrets and know-how; trademarks and service marks; and the tangible and intangible results of research (including, for example, data, lab notebooks, charts, biological materials, cell lines and samples). "Inventions" shall also mean copyrightable works that include subject matter that is also patentable, as determined by the TCO Director, and software, notwithstanding the extent to which software may be governed by University [Policy 7-003](#) (Ownership of Copyrightable Works and Related Works). Each faculty member will be deemed the custodian of his or her laboratory notebooks and must promptly deliver such notebooks upon the University's request or upon termination of his or her appointment with the University, in which event, the faculty member will be entitled to retain a copy of such notebooks.

- C. **"Non-incident use of University resources"** shall mean use of University resources (including, for example, funding, personnel time, property, equipment, facilities, supplies, resources or intellectual property owned by or paid for through the University) other than (a) property, equipment, facilities, supplies or other resources the University makes available either to the general public (for example, library facilities and resources) or to the inventor and his or her colleagues in the inventor's department or unit (for example, office furnishings, office supplies, computers, communications equipment, and administrative support if such use is not in excess of the amount normally provided the inventor and his or her colleagues). "Non-Incidental use of University resources" shall include the efforts and/or time of the inventor to the extent the University has compensated (or will compensate) the inventor for such efforts and/or time.

Because the determination of "non-incident use of University resources" depends, in part, on facilities that are customarily accessible to similarly situated faculty members, non-faculty academic employees, staff members and student-employees, the standards may vary from one department to another according to local culture and tradition. It is the responsibility of the TCO to consult with the dean, chair, or equivalent supervisor of the inventor in making a determination of whether the inventor has made non-incident use of University resources in

connection with creation of the invention. If the parties disagree with the determination of the TCO, the matter shall be referred to the cognizant vice president or similar administrator, whose decision shall be final.

Each department chair or college dean, in consultation with the faculty members of such department or college may from time to time promulgate supplemental rules that will guide determinations of "non-incidental use" for that department or college. Such supplemental rules should be tailored to reflect the traditional practices that exist in the discipline, and are subject to the approval of the cognizant dean, if promulgated by a department chair, and Senior Vice President.

- D. "**University research**" means any research supported or funded by the University (including, for example, commercially sponsored research and federally funded research). Research projects (whether or not involving students) performed or managed by faculty members in the course of their University employment will be deemed University research for purposes of this Policy. A faculty member is not performing or managing research for purposes of this Policy when he or she merely advises students in the performance of their independent or student-initiated research and otherwise makes no inventive contribution in connection with the research. The University often performs clinical studies or other, similar services for which the University is paid a fee. Under these circumstances, the University might agree in contracts related to these arrangements that resulting inventions, if any, will belong to the outside party purchasing such services. Under these circumstances, such services will be deemed University research for purposes of this Policy 7-002; however, ultimate ownership of any resulting intellectual property may be governed by the applicable agreement.

III. Policy

A. General Policy

As a public institution, the University of Utah is entrusted with the responsibility to facilitate application of scientific and technical research findings for public use and to provide for an equitable disposition of interests among the inventor(s), the University, and where applicable, the sponsor.

B. Ownership of Inventions Assignment

1. Upon agreeing to be bound by University Policy, and as a condition of the University's provision of employment, services, facilities, equipment or materials to faculty, non-faculty academic employees, staff and student, (a) each faculty, non-faculty academic employee and staff member (including a student-employee having invented in his or her capacity as an employee) agrees to assign and does assign to the University title to all inventions he or she conceives, develops, reduces to practice or creates (1) that are within his or her area of expertise (as defined below), (2) in the course of University research, or (3) with non-incidental use of University resources, and (b) each student agrees to assign and does assign to the University title to all inventions he or she conceives, develops, reduces to practice or creates (1) in the course of University research or (2) with non-incidental use of University resources. Each faculty member, non-faculty academic employee, staff member, student-employee and student may be asked to execute an assignment of such inventions, to the University to confirm the University's rights and shall do so on request. With the assistance of the TCO and prior to commencement of University research in which unpaid students will participate, faculty members supervising such research are encouraged to ensure the University has received from participating students invention assignment agreements for inventions resulting from that research. No inventor of an invention described in the foregoing paragraph has the authority to assign, license, or otherwise dispose of such invention except to the University or its designee pursuant to this policy.

2. The signing of an invention assignment is an administrative convenience for confirming technology ownership rights, but the terms of this Policy are controlling and as with other University policies, constitute conditions of employment and participation in research.
3. Where an invention is related to research conducted by a student in connection with both University research and with non-University activities, such invention shall be presumed to result from University research unless the inventor can demonstrate to the vice president for research that the invention was created solely in connection with non-University activity and without the use of University intellectual property or other proprietary information.
4. Each full or part-time faculty member, non-faculty academic employee, staff member and student-employee, and each student participating in University research or making non-incidental use of University resources, is expected to inform promptly the director of TCO concerning all inventions created within his or her area of expertise, in the course of University research, or the non-incidental use of University resources as applicable; to cooperate with and assist the director of TCO in the handling of such matters; to execute all rightful papers and do necessary and proper acts to assist the University in obtaining, utilizing and enforcing patent protection on such matters, and to abide by and benefit from the patent Policy of the University in effect during the inventor's respective associations with the University.
5. TCO shall promptly and efficiently review all invention disclosure forms and provide to disclosing inventors, within a reasonable amount of time, confirmation of whether (i) the form does not disclose a patentable invention, (ii) the form discloses a patentable invention, but TCO has elected not to pursue patent protection at that time, or (iii) TCO will file a provisional or non-provisional patent application for the disclosed invention. If TCO elects to file a patent application, TCO will do so within a reasonable amount of time.

The University, in its sole discretion, may release to an inventor, by written instrument only, those inventions owned by but not of interest to the University. It is understood if the University does not actively promote or develop the invention within a reasonable amount of time, the inventor's claim to full rights will be honored. Requests for releases should be made to the director of TCO.

6. Subject to the time limitations established in [Policy 5-204](#): Remunerative Consultation and Other Employment Activities, the University claims no right in or to any invention to the extent created by full or part-time faculty members and Administrative Officers as a result of private consulting services performed in compliance with [Policy 5-204](#), unless the invention is created with non-incidental use of University resources. Further, the University claims no right in or to any invention to the extent created by any full or part-time student (excluding student-employees) who is not participating in University research relating to the invention (subject to Section III.B.3) and who creates the invention with only incidental use of University resources, if any. Faculty members and Administrative Officers who engage in outside consulting, and faculty and staff members who engage in other external activities, are responsible for ensuring that any agreements relating to those activities are not in conflict with this Policy 7-002 or [Policy 5-204](#).
7. **Examples:** The following are examples intended to assist faculty members, non-faculty academic employees, employees and students in applying the provisions of this Policy 7-002.III.B. These examples are intended to be illustrative only and by no means should they be viewed as a comprehensive list of those activities and inventions to which this Policy 7-002 applies.
 - a. Example One: Faculty Member A creates an invention while working as a PI under the terms of a federal research grant, performance of which has been subcontracted to the University. In the absence of other relevant facts, the University will assume ownership of the invention because it is a

product of University research and arises within Faculty Member A's area of expertise. (See Section III.B.1(a)(1) and (2).)

- b. Example Two: Faculty Member B teaches School of Medicine courses in oncological sciences. Working at her desk at home on Saturday, she designs a chemical compound that may fight non-Hodgkin's Lymphoma. In the absence of other relevant facts, the University will assume ownership of the invention because the invention arises within Faculty Member B's area of expertise. (See Section III.B.1(a)(1).)
- c. Example Three: Staff Member C is an engineer employed by the University to fabricate medical devices. Working in his garage on Saturday, Staff Member C invents a topical cream that accelerates the healing process for cuts and abrasions. In the absence of other relevant facts, the University will not assume ownership of the invention because creation of the invention did not require the specialized skills and expertise Staff Member C must have to perform his University responsibilities. (See Sections II.A and III.B.1(a)(1).)
- d. Example Four: Participating in a specific research project funded by the School of Engineering and supervised by University faculty, Student D invents a novel shale extraction process. In the absence of other relevant facts, the University will assume ownership of the invention, even if Student D received academic credit in connection with the research, because the invention was created as a result of University research. (See Sections II.D and III.B.1(b).)
- e. Example Five: As a result of a chemistry course, Student E independently creates a novel chemical compound useful in the semiconductor production process. Student E's research is not directed by his professor. However, sometimes Student E seeks guidance from his professor in connection with research methodology. In the absence of other relevant facts, the University will not assume ownership of the invention, unless

Student E made non-incidental use of University resources, because Student E did not create the compound in connection with University research. (See Sections II.D and III.B.1(b).)

- f. Example Six: Faculty Member F is a law professor who has an undergraduate degree in meteorology. Faculty Member F has never taught University courses, or conducted University research, in connection with meteorology. On weekends, Faculty Member F invents a novel device that measures precipitation in remote wilderness areas. Faculty Member F enlists a colleague in the College of Engineering to assemble a prototype of the device, which the colleague does in her University lab. In the absence of other relevant facts, the University will assume ownership of the invention because Faculty Member F reduced the invention to practice with non-incidental use of University resources. (See Sections II.C and III.B.1(a)(3).)

- g. Example Seven: Student-Employee G is a computer science major who is also a part-time employee in the University's Software Development Center. The University's Nano Institute funds research for development of medical devices using nanotechnology, and sometimes engages the Center to create software programs related to these devices. Working on one of these projects, Student-Employee G writes a software program that is patentable. In the absence of other relevant facts, the University will assume ownership of the invention because Student-Employee G created the program in connection with University research. In addition, the University will compensate Student-Employee G for the time she is employed to create the invention. Therefore, the invention is created with non-incidental use of University resources. (See Sections II.C and D, and III.B.1(a)(2) and (3).)

C. University Technology Commercialization Office

1. The University Technology Commercialization Office ("TCO") is responsible for meeting patent regulations associated with research grants and contracts, oversees retaining whenever possible University rights to inventions developed on such programs, and provides information and general assistance to faculty and other University employees and research participants concerning patent development.
2. TCO evaluates and pursues patent protection on those inventions deemed appropriate for commercialization.
3. The director of TCO acts as an agent of the University of Utah Research Foundation (the Research Foundation), and has authority, with the approval of the vice president for research, the Technology Commercialization Advisory Committee and the cognizant dean, to award additional funds as available from the Technology Commercialization Office to inventors as needed to develop additional information to aid patent prosecution. The director serves also as the principal staff for the Technology Commercialization Advisory Committee.

D. Technology Commercialization Advisory Committee

The Technology Commercialization Advisory Committee is appointed by the president of the University. The Committee acts as an oversight committee to the TCO. These oversight functions include but are not limited to reviewing the functioning of the TCO, Policy interpretation, and Policy recommendations on intellectual property, protection of inventions and licensing of University-owned technology. The committee also may recommend changes in University intellectual property policies and is available to the Research Foundation for technical advice on the foregoing matters.

The Technology Commercialization Advisory Committee must approve exceptions to standard University intellectual property procedures, proposed royalty distributions and related matters. The Committee may, upon request,

advise the University administration on disputes involving intellectual property issues.

E. University of Utah Research Foundation

The Research Foundation is the instrument of the University that commercializes inventions through royalty agreements with external organizations for the mutual benefit of the University and full-time or part-time faculty and staff members, Non-faculty academic employees and student employees or student participants involved in University research. The University assigns to the Research Foundation all rights to those inventions that should be exploited. Any surplus funds realized by the Foundation from this activity are allocated to fund the research and education programs of the University.

F. Implementation; Commercialization and Royalties, Patent Prosecution and Commercialization

1. The Research Foundation purchases services of the director of the TCO to prosecute patents, explore commercialization, and negotiate agreements. The Research Foundation shares royalty income with inventors in accordance with University practice (see Sec.III.G. below).
2. Surplus funds derived from the patent program by the Research Foundation are allocated by its Board of Trustees to support appropriate University activities. In making such awards, consideration is given to schools, departments, centers or units of the University which are the origin of, or which have contributed significantly to, commercially successful patents.
3. The University/Foundation in its sole discretion may cause applications or patents to be filed upon assigned inventions in any country. The University/Foundation has the sole right to negotiate and enter into or modify licensing and other agreements covering the manufacture, use and/or sale of products and/or processes based on University-owned intellectual property.

The University/Foundation will pay all expenses required to obtain and exploit patent protection on such an invention in the best public interest.

G. Distribution of Royalty Income

1. Inventors shall receive a share of royalty income or other revenue received by the Research Foundation as a result of commercialization of an invention. The inventors' share of income shall be based on a percentage of such income or revenue remaining after (i) reimbursement of the University for all direct costs of patent prosecution or maintenance (ii) payments to other institutions required by University agreement, including but not limited to inter-institutional agreements for the management of jointly owned patents, and (iii) all development funds advanced pursuant to section III.C.3 ("net revenue"). The inventors' share (in the aggregate where there is more than one inventor) shall normally be forty percent (40%) of the first one hundred-thousand dollars (\$100,000) of net revenue, thirty-five percent (35%) of the next two hundred thousand dollars (\$200,000) of net revenue, and thirty-three (33%) percent of any additional net revenue received by the Research Foundation.
2. Exceptions to the above procedures shall be approved by the Technology Commercialization Advisory Committee.

H. Copyright Commercialization

In selected instances where commercial marketing of University-owned software programs is envisioned, the responsibility for marketing and licensing is assigned to the Research Foundation and the University Technology Commercialization Office (see Copyright Policy: Ownership, [Policy 7-003](#)).

[Note: Parts IV-VII of this Regulation (and all other University Regulations) are Regulations Resource Information – the contents of which are not approved by the Academic Senate or Board of Trustees, and are to be updated from time to

time as determined appropriate by the cognizant Policy Officer and the Institutional Policy Committee, as per Policy 1-001 and Rule 1-001.]

IV. Rules, Procedures, Guidelines, Forms and other Related Resources

- A. Rules
- B. Procedures
- C. Guidelines
- D. Forms
- E. Other Related Resource Materials

V. References

[Policy 5-204](#), Remunerative Consultation and Other Employment Activities

[Policy 7-004](#), University Faculty Profit-Making Corporation

[Policy 7-003](#), Copyright Policy: Ownership

VI. Contacts

The designated contact officials for this Policy are:

- A. Policy Owners (primary contact person for questions and advice): Director of the Technology Commercialization Office.
- B. Policy Officers: Vice President for Research.

These officials are designated by the University President or delegee, with assistance of the Institutional Policy Committee, to have the following roles and authority, as provided in University Rule 1-001:

"A 'Policy Officer' will be assigned by the President for each University Policy, and will typically be someone at the executive level of the University (i.e., the

President and his/her Cabinet Officers). The assigned Policy Officer is authorized to allow exceptions to the Policy in appropriate cases.... "

"The Policy Officer will identify an 'Owner' for each Policy. The Policy Owner is an expert on the Policy topic who may respond to questions about, and provide interpretation of the Policy; and will typically be someone reporting to an executive level position (as defined above), but may be any other person to whom the President or a Vice President has delegated such authority for a specified area of University operations. The Owner has primary responsibility for maintaining the relevant portions of the Regulations Library... [and] bears the responsibility for determining -requirements of particular Policies... ." University Rule 1-001-III-B & E

VII. History

Renumbering: Renumbered as Policy 7-002 effective 9/15/2008, formerly known as PPM 6-4.

Revision History:

A. Current Version Revision 4.

Approved:by the Academic Senate 5/06/2013

Approved by the Board of Trustees 5/28/2013

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[Legislative history of Revision 4](#)

B. Earlier Versions:

[Revision 3](#)

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