Information

Intellectual Property

Effective

July 1, 2005

Applicability

This policy applies to the University Community (administrators, faculty, staff, and students).

Administrative Authority

University of Louisville Board of Trustees; Executive Vice President for Research and Innovation

Responsible Unit

Commercialization EPI-Center
J.D. Nichols Campus for Innovation and Entrepreneurship
Louisville, KY 40292
Phone: 502.852.2965
Email: thinker@exchange.louisville.edu

History

This Intellectual Property Policy ("Policy") was approved on July 14th, 2005 and replaces all previous Intellectual Property or Patent policies and revisions. It is effective July 1, 2005 as approved by the Board of Trustees of the University of Louisville and the Board of Directors of the University of Louisville Research Foundation, Inc. ("ULRF").

Revision Date(s): July 14, 2005; August 1, 2013; July 27, 2016 (due to format

change); September 27, 2018 (footnote edits); February 26, 2019 (due to revision of an office name and a link change); March 2, 2020 (footnote edits)

Reviewed Date(s):

Categories

Reason for Policy:

In the course of conducting their normal scholarly activities, University faculty, staff, other employees, and students add to the storehouse of knowledge. The University should disseminate such knowledge for the public good. The University should further protect the interests of the people of the Commonwealth of Kentucky through a due recovery by the University of its investment in research. Accordingly, income that may result from this activity should be used to assist the University and its employees by furthering their academic roles, as required by law and University policy. The University and the ULRF acknowledge that they do not hold ownership rights in every act of creation of the University Community.

Statement:

1. INTRODUCTION

In the course of conducting their normal scholarly activities, University faculty, staff, other employees, and students add to the storehouse of knowledge. The University should disseminate such knowledge for the public good. The University should further protect the interests of the people of the Commonwealth of Kentucky through a due recovery by the University of its investment in research. Accordingly, income that may result from this activity should be used to assist the University and its employees by furthering their academic roles, as required by law and University policy. The University and the ULRF acknowledge that they do not hold ownership rights in every act of creation of the University Community.

2. WHAT IS COVERED

a. General Rule. Except as provided in Section 2.b., the University of Louisville Research Foundation, Inc., hereinafter referred to as ULRF, will hold all Legal Rights to all Intellectual Property conceived, first used (in the case of a trademark or service mark), or reduced to practice, discovered, or created, by any employee of the University, during his/her employment by the University. The University may also hold Legal Rights to Intellectual Property conceived, first used or reduced to practice, discovered, or created, by any student at the University as outlined in Section 3.b. of this Policy. To ensure that the University is aware of all such Intellectual Property, all those persons covered by this Policy are required to disclose to the University any Intellectual Property, except those Traditional Works as defined in Section 2.b.iii. When in doubt about whether or not Intellectual property may, in a reasonable opinion, have commercial value, the Creator should complete a Research Disclosure Form and consult with the Office of Technology Transfer[v] about any commercial potential. Such disclosure shall occur either simultaneously with or prior to public disclosure. ULRF will hold all rights to such Intellectual Property that is not covered by an exception as described in section 2.b. below on behalf of the University, operating in compliance with policies stated herein. Prior patentable Intellectual Property or any other rights to prior Intellectual Property held by faculty, staff, other employees, or students are excluded from this Policy. Prior patentable Intellectual Property should be identified by the Creator and acknowledged by the University in writing at the time of appointment or enrollment.

b. Exceptions. Not withstanding Section 2.a., the University or ULRF will not hold any ownership rights in Intellectual Property to the extent that:

i. Federal or state law provides that some party other than the University holds one or more of such rights;

ii. The Intellectual Property related to same was produced both outside the scope of the faculty or staff member's employment or Research, and without significant use of Specialized Resources;

iii. The Intellectual Property related to same is a Traditional Work, unless the Traditional Work was specifically commissioned by the University (productivity measures as agreed to in a work plan - books, articles, paintings, etc. - unless specifically commissioned by the University, are exempt);

1. If a Creator is unsure if a specific Traditional Work may contain Intellectual Property that would not be exempted under the terms of this Policy, they may submit and mark a Research Disclosure Form as such and request an expedited review to reach a determination as such. Within 30 days of receipt, a written response shall be provided stating whether or not the Traditional Work also contains Intellectual Property that is required to be disclosed under the Policy.

iv. The Intellectual Property was produced by gratis faculty, unless the Intellectual Property was produced utilizing Specialized Resources or personnel of the University.

In the above situations 2.b.ii., 2.b.iii., and 2.b.iv. the work shall be deemed the property of the Creator and may be registered for legal protection and/or commercialized by the Creator at the Creator's expense. A letter stating such shall be provided by the Office of Technology Transfer as per Section 6.b.2. below.

c. Public Domain Preference. The Creator, or Creators acting collectively when there are more than one, is free to place an invention in the public domain for non-commercial, academic dissemination purposes 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 governed the work. The University will not assert intellectual property rights when Creators have placed their inventions in the public domain, but the University does expect that the Intellectual Property be disclosed along with the Creator's request that they be allowed to disseminate the Intellectual property by placing it in the public domain.

3. WHO IS COVERED

a. Faculty and Staff. All faculty, staff, and other employees of the University, including those on sabbatical leave and on leave with pay, and part-time, gratis, and visiting faculty and staff, are subject to the provisions of this Policy. The ULRF shall also have legal interest in any Intellectual Property created or discovered by faculty, staff, or other employees while on leave without pay if they have used Specialized Resources, University funds, facilities, or materials. However, faculty, staff, and other employees while engaged in University- approved private consulting activities or authorized outside employment are excluded unless such activities include the substantial use of University facilities or Specialized Resources.

b. Students. Students who independently create Intellectual Property arising out of their participation in programs of study at the University, and that do not result from their employment by the University, will retain the legal rights thereto. Intellectual Property created by students through the use of Specialized Resources or in connection with their employment by the University is owned by the ULRF.

c. Other Cases. Any Intellectual Property or exceptional Research results created under an exception to or outside of the University Ownership provisions of this Policy may be (but is not required to be) submitted to the Office of Technology Transfer in a Research Disclosure Form and processed through the ordinary Research Disclosure procedure as provided in this policy; provided, however, that one or more Creator(s) must have some relationship to the University (whether it be through employment, enrollment, honorary or alumni status).

4. AUTHORITY

a. Senior Vice President for Research.[i] The overall responsibility for application of this Policy is vested in the Senior Vice President for Research. This will include operations at the University level and management of activities of the ULRF as related to Intellectual Property matters. The Senior Vice President for Research shall designate a Technology Director[ii] who will be responsible for the administration of the operation of an Office of Technology Transfer under this Policy. The Senior Vice President for Research is authorized, subject to the University's contract policy, to obtain the services of suitable attorneys and Intellectual Property management agencies and to enter into other types of contracts for development of the Intellectual Property.

b. Signature Authority. Unless otherwise designated in writing by the Senior Vice President for Research, signature authority for subjects covered by this Policy shall rest solely in the Senior Vice President for Research or in designated officers of the Office of Technology Transfer.

5. OVERSIGHT OF POLICY

a. Intellectual Property Committee. The Senior Vice President for Research of the University shall appoint an Intellectual Property Committee ("Committee") consisting of nine members. The Senior Vice President for Research or designee shall serve as

Chairperson. Members shall consist of an officer or designee of the ULRF, a Trustee of the University, and six others (four faculty members, one staff member, and one professional/graduate student member). The faculty, staff, and student members shall be appointed for staggered three-year terms but shall continue as members until their successors are appointed. Two of the faculty members shall be selected by the Senior Vice President for Research from a list of at least four candidates provided by the Faculty Senate. Any member shall cease to be eligible for membership and shall cease to serve the Committee upon termination of his or her respective relationship with the University or the ULRF. The Committee may consult with others as it sees fit; however, the University Counsel or his or her designee shall act as legal counsel to the Committee. All members of the Committee shall execute confidentiality agreements to ensure that all information concerning Intellectual Property that is disclosed to the Committee is held confidential until protected or made public.

a. The Chairperson shall convene a special meeting of the Committee within twenty (20) days upon written request from any two or more Committee members to discuss matters related to this Policy.

b. Duties. The Committee shall:

1. Periodically review for the President of the University all activities of the Technology Director and shall issue an annual report to the President on its activities and the status of the University's Intellectual Property holdings;
2. Review and evaluate procedures to encourage the development and commercialization of the University's Intellectual Property;
3. Review this policy every five years for necessary revision; and
4. Review disputes between the Creator or appeals by faculty, staff, other employees, or students subject to this Policy and recommend resolution. The Committee shall convene a meeting within thirty (30) days of receipt of a dispute or appeal and shall recommend resolution to the Senior Vice President for Research within sixty (60) days thereafter.

6. PROCESS OF DISCLOSURE

a. Research Disclosure Form.[iii] Whenever a University faculty, staff, other employee, or student, operating under the scope of this Policy, creates Intellectual Property or obtains exceptional Research results that (in a reasonable opinion) may

have commercial value and do not fall within the scope of the exception of this Policy Section 2.b.iii., the Creator shall notify the Technology Director in writing via an official Research Disclosure Form.

i. If the Creator believes that the content of the Research Disclosure Form falls within one of the exceptions of Section 2.b.i., 2.b.ii. or 2.b.iv.., the Creator shall mark the Research Disclosure Form as such and request an expedited review.

ii. The Creator shall make available originals or copies of all documents and designs, including logs or research workbooks, as requested, that are necessary to support the value and scope of the Intellectual Property.

iii. Moreover, the Creator shall assist the ULRF in obtaining and maintaining legal protection by disclosing essential information, signing applications and other necessary documents and assigning any rights to technology to ULRF provided, however, that the ULRF shall reimburse the Creator for any out-of-pocket expenses incurred by providing such assistance.

b. Written Response. The Technology Director or designee shall provide a written communication to the Creator with notification of the date of receipt of the Research Disclosure Form, and evaluate the merits of the Intellectual Property and the equities involved. The Technology Director or designee will advise the Creator within one-hundred and twenty (120) days following receipt of the disclosed Intellectual Property and requested supportive documentation as to whether or not the University will retain interest or ownership in said property.

i. NOTICE TO CREATOR

1. In the case of a regular Research Disclosure Form submission, the Technology Director or designee shall provide written notice to the Creator of a decision on or before the expiration of one-hundred and twenty (120) calendar days. The decision shall convey one of three alternatives:

   a. ELECTED. If the Technology Director or designee finds potential commercial value in the Research Disclosure, they will notify the Creator that the University has "ELECTED to Retain Title" and will move forward with marketing of the Research Disclosure. The Office of Technology Transfer will apprise the Creator, in writing, of all marketing and development activities the University has

undertaken with respect to their Research Disclosure every six months. If the Creator is unsatisfied, they may appeal to the Intellectual Property Committee for a release of the invention as described in the Research Disclosure.

b. PENDING. The University encourages full disclosure as early as possible in the development process. If the invention is not yet fully developed, the Technology Director or designee shall provide feedback and place the Research Disclosure in a "PENDING" status until further developments are disclosed. When a Research Disclosure is placed in PENDING status, the Office of Technology Transfer shall work with the Creator to define what steps need to be taken to ready the Research Disclosure for re- evaluation. Once such steps are undertaken and new information is provided, the Office of Technology Transfer shall re-activate the file and treat it as a new Research Disclosure.

c. NON-ELECTED. If the Technology Director or designee finds there is not enough potential commercial value in the Research Disclosure to warrant further University investment in statutory intellectual property protection or marketing, they will notify the Creator that the University has "Not Elected to Retain Title" and will either release title to the Federal Sponsor if so required, or offer to release title to the Creator upon receipt of their formal written request.

2. In the case of an expedited Research Disclosure Form submission which the Creator believes falls within the scope of one of the exceptions under Section 2.b. of this policy, the Technology Director or designee shall evaluate such claim and provide a written response (and a formal disclaimer of any right to the Intellectual Property if they find the Creator's claim valid) within thirty (30) days of receipt of the Research Disclosure Form. Note that the Creator is welcome to elect to utilize the standard Research Disclosure process and have the Office of Technology Transfer handle the management of the Intellectual Property even if it does fall under one of the Section 2.b. exceptions.

ii. NOTICE TO CHAIRS AND DEANS

1. The Technology Director shall also notify the chairperson of the Creator's department and the appropriate dean or vice president: Creator's department and the appropriate dean or vice president:

a. At the time of Research Disclosure that the disclosure of Intellectual Property

has been made; and

b. At the time of NOTICE TO CREATOR by providing a copy of such NOTICE and the decision therein conveyed.

iii. The Technology Director may reasonably extend the deadline if further examination of the Intellectual Property or additional information is required. Such extension shall be provided to the Creator in writing within 120 calendar days of receipt of the Research Disclosure Form.

c. Release of Intellectual Property. If (i) the ULRF elects to release some or all ownership rights to Creator, or (ii) written notice of the Technology Director's decision is not given to the Creator upon the expiration of the one-hundred and twenty (120) calendar day period following receipt of the disclosure or the new deadline, the Creator shall be free, subject to law and prior agreements, to proceed independently only with respect to the specific Intellectual Property disclosed.

7. DEVELOPMENT OF TECHNOLOGY

a. Development Methods. Upon ELECTION of Intellectual Property, the Technology Director shall make every reasonable effort to develop the Intellectual Property. Costs for such development may be covered by grant (when allowable), departmental or central administration funds.

Development options include, but are not limited to:

i. Evaluating and processing the Intellectual Property through a patent application, or copyright registration filed by ULRF;

ii. Assigning the Intellectual Property to a patent management firm for evaluation and processing;

iii. Assigning or licensing to a commercial firm; and

iv. Negotiating and recommending equity positions with company(s) willing to commercialize the Intellectual Property.

v. If the decision not to invest central administration funds is made, but the central administration in conjunction with other parts of the University believes strongly in

development of the Intellectual Property, the Office of Technology Transfer will work with the Creator and their College, Unit and or Department to identify alternate available University resources. If such resources are identified, the Office of Technology Transfer may also offer an option to the Creator by which the ULRF will retain ownership and provide expertise to process the Intellectual Property if the financial costs of such activity are partially or totally underwritten by non-central University funds.

b. University Name. Any use of the University's name in connection with commercialization of an Intellectual Property by Creator or other licensee(s) shall be approved in advance by the University.

8. DISTRIBUTION OF EQUITIES

a. Royalties and Other Income. All royalties and other income arising from Intellectual Property in which the Legal Rights are owned by the ULRF shall be administered by the Senior Vice President for Research on behalf of the ULRF in such a manner as it may be determined, provided that, unless otherwise agreed, no less than fifty percent (50%) of the first $25,000 of total net proceeds (total income less expenses directly related to obtaining rights and royalties from such property) shall be paid or assigned to the Creator as income. The remainder shall be maintained and administered by the ULRF for payment of expenses in administering this Policy, for the advancement of Technology Transfer for institutional, academic and research purposes, and for any other activities necessitating monies for the development and execution of this Policy. After the $25,000.00 of total net proceeds threshold is reached, a 5% overhead fee will be applied to the net proceeds received, with no less than fifty percent (50%) of the remainder paid or assigned to the creator as income.

i. In the case of multiple Creators, the Creators shall list what they believe to be the appropriate percentage contributions of each Creator at the time a Research Disclosure Form is submitted. If the Creators cannot reach an agreement among themselves, the Intellectual Property Committee shall meet to evaluate the claims of all Creators and render a binding decision. The Intellectual Property Committee may rely on testimony from the Creator's Deans and Department Heads in so doing, but is not required to do so.

b. Equity Interest. If the ULRF receives an Equity Interest as part of the provisions of a license or option agreement, the Creator shall have two options, and shall choose between the two options within ten (10) calendar days of notification that an Equity interest is being taken by ULRF;

i. ULRF shall hold such Equity Interest in its entirety. When and if the sale of an Equity Interest generates proceeds, the proceeds shall be distributed as Royalties and other Income under Section 8.a. of this Policy.

ii. ULRF shall determine what portion of the Equity Interest would belong to the Creator, and shall instruct the Licensee to assign such Equity Interest directly to the Creator at the time the Equity Interest is to be conveyed by the Licensee to ULRF.

c. Scholarship Accounts. If the Creator elects to have any portion of his/her income derived from Intellectual Property deposited in a University account for scholarship, the Senior Vice President for Research will match the amount deposited, in concert with matching from the Department and College shares, on a one-to-one basis up to a maximum match of no more than one-hundred and fifty thousand ($150,000.00) dollars per year. Creator shall be responsible for coordinating such scholarship donations through the University Development Office, and shall be required to provide notice to the Office of Technology Transfer within 30 days of such donation in order to request matching. If the Creator elects to receive the personal income directly, there will be no matching.

9. INTELLECTUAL PROPERTY FROM SPONSORED RESEARCH PROGRAMS

To the extent possible, the disposition, ownership, and control of Intellectual Property resulting from externally sponsored research shall be agreed upon in the original agreements with the sponsor. These agreements so far as possible shall be in the interest of the Creator and of the University or ULRF, with particular reference to the unacceptability of undue restriction or delay of publication. If a specific provision relating to Intellectual Property exists in a government or research contract with the University or ULRF and such provision is accepted by the University or ULRF, this Policy will be inapplicable to Intellectual Property made under such contracts only insofar as this Policy is inconsistent with said contract.

10. TRANSFER OF PHYSICAL RESEARCH PRODUCTS

a. Transfer Out. The transfer of any physical products resulting from University research OUT to any entity outside the University community (including businesses, not-for-profit foundations, hospitals, or other universities), shall be accomplished through the Office of Technology Transfer using the formal procedure for MATERIAL TRANSFERS OUT, which shall be posted on the Office of Technology Transfer website at http://thinker.louisville.edu.

b. Transfer In. The transfer of any physical products to be used for research IN to the University from any entity outside the University community (including businesses, not-for-profit foundations, hospitals, or other universities) and which requires an agreement or letter to be signed to facilitate such transfer, shall be accomplished using the formal procedure for MATERIAL TRANSFERS IN, which shall be posted on the Office of Technology Transfer website at http://thinker.louisville.edu.

11. COMPLIANCE

As a condition of employment or matriculation, all faculty, staff, other employees, and students of the University agree to comply with the policies of the University and shall sign an agreement that they have received this policy. A copy of this Policy shall be available, electronically and in printed form, for all faculty, staff, other employees, and students. On request, a set of guidelines for reporting Intellectual Property will be made available to any faculty, staff, other employees, or student by the Technology Director.

12. CONSULTING AGREEMENTS

a. Individual Responsibility. It is the responsibility of individual members of the University community to ensure that the terms of their consulting agreements with third parties do not conflict with this Policy or any of their other commitments to the University. Each individual should 1) make the nature of their obligations to the University clear to any third party for whom the individual expects to consult and 2) should inform such third parties that the University does have a formal Intellectual Property Policy, and further inform third parties that such Policy is available online at http://thinker.louisville.edu. More specifically, the scope of any consulting services should be expressly distinguished from the scope of research commitments at the University, and should not utilize any University facilities or resources without first

negotiating appropriate compensation for such use with the University (and any applicable University-sanctioned Private Practice Group arrangements). In the case of conflict between requested consulting and University research commitments, individuals should work with the Office of Industry Contracts[iv] to establish an appropriate Sponsored Research Agreement.

b. Individual Negotiation. The University will not negotiate any consulting agreements on behalf of any faculty, student or staff member; however, any questions regarding this Policy by either individual members of the University community or third parties may be directed to the Office of Technology Transfer.

13. OTHER PROVISIONS

a. Governance. The provisions of this Policy shall govern all Intellectual Property by faculty, staff, other employees, or students of the University; provided, however, that any specific Intellectual Property which has been disclosed prior to the effective date of this Policy will be governed by the provisions of the applicable prior Policy of the University in effect at the time of the disclosure of the Intellectual Property.

b. Redbook. Reference to the necessity of agreement to this Policy by new faculty, staff, other employees, and by matriculating students shall be included in the Redbook and in the general catalogue of the University.

c. Interpretation. Each definition and term in this Policy includes the singular and the plural as applicable, and reference to the neuter gender includes the masculine and feminine where appropriate. References to any statutes or regulations mean such statutes or regulations as amended at the time of interpretation and include any successor legislation or regulations. Any words that are not defined within this Agreement shall have their ordinary dictionary meaning.

d. Discussion Appendix. Appendix 1 Contains a series of questions and answers designed to clarify anticipated questions concerning the Policy. These are intended to be exemplary only and severable.

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i References in the policy to Senior Vice President for Research are now Executive Vice President for Research and Innovation

ii References in the policy to the Technology Director are now the Director of Technology Transfer

iii Link for the Research Disclosure Form: https://louisville.edu/research/epi-center/innovations/research-disclosure-form-12-04-2014-word (DOC)

iv References in the policy to the Office of Industry Contracts are now Office of Industry Engagement

v References in the policy to the Office of Technology Transfer are now Commercialization EPI-Center

Definitions:

a. ***Creator*** - Refers to the inventor of inventions (including know-how and other technological things listed in 14.c.), the author of a copyrightable work, or the originator of a creative work. Terms of art used in this section have the same meaning given under federal copyright, trademark and patent laws. Faculty and staff should recognize that students working with them on research projects or other creative activities might also be creators under U.S. law.
b. ***ELECTED (to Retain Title)*** - Means the ULRF has determined that it is in the best interests of the University to retain ownership of the Intellectual Property described in a Research Disclosure Form. Subsequent actions by the ULRF may or may not involve statutory protection of the Intellectual Property rights, such as filing for patent protection, registering the copyright and/or trademark, or securing plant variety certification.
c. ***Intellectual Property*** - The term Intellectual Property as used herein is broadly defined to include any inventions, know-how and show-how (to the extent they relate to an invention or work otherwise covered by a policy), research material, copyrightable works fixed in any tangible medium of expression (including electronic), computer software, compilations, collective works, original data and other creative or artistic works which may have commercial value. It also expressly encompasses: 1) new and useful processes, and 2) the physical embodiments of intellectual effort, for example; models, machines, devices, designs, apparatus, instrumentation, circuits, computer

programs and visualizations, biological materials, chemicals, other compositions of matter, plants, and records of research. Intellectual Property includes, but is not limited to, that which is protectable by statute or legislation, such as patents, copyrights, trademarks, service marks, trade secrets, mask works, and plant variety protection certificates. In general, the mission of the University of Louisville is to disseminate the results of research and discoveries. Therefore, the University acknowledges that there will be few, if any, situations in which trade secret rights will exist.

d. ***Research*** - Research is broadly construed as creative expression, studious inquiry, examination, investigation or experimentation aimed at the discovery and interpretation of facts, revision of accepted theories or laws in the light of new facts, or practical application of such new or revised theories or laws and applies equally to scholarly and creative activities across all disciplines.
e. ***Research Disclosure Form*** - The official mechanism for disclosure of Intellectual Property (including exceptional Research results which may have commercial potential) shall be through the most current University of Louisville approved Research Disclosure Form, which shall be made available online at http://thinker.louisville.edu, or provided in hard copy form by submission of a written request to the Office of Technology Transfer.
f. ***Specialized Resources*** - Refers to all resources, tangible or intangible, owned or under the control of the University, except for (i) resources such as library facilities (that are generally available without charge to the general public), (ii) general office equipment and technology resources (made available for the use of the faculty, staff, other employee, student or that person's department), such as copiers, office space, personal computers, computer accounts, software, and online services made available to most faculty, staff, other employees and students.
g. ***Traditional Works*** - Includes creative works and research materials that are educational, scholarly, artistic, musical, sculptural, or literary works. Examples include: books, articles, class notes, theses, dissertations, manuscripts, poems, films, videotapes, digital and analog recordings, musical works, dramatic works including any accompanying music, pantomimes and choreographic works, pictorial, graphic and sculptural works, works as outlined in an annual work plan, and other works of the artistic imagination or the kind that are not created as a result of a specific employment assignment or are specifically commissioned by the University. (The term "literary" has its ordinary dictionary definition, not the broader definition set out in the Copyright Act.) As defined

herein, status as a Traditional Work will not be affected by the tangible medium in which it appears.

h. ***University*** - Refers to the University proper, the University of Louisville Research Foundation, Inc., and to all affiliated corporations or organizations controlled by the University or governed by the members of the University Board of Trustees.
i. ***University of Louisville Research Foundation, Inc. (ULRF)*** - An affiliated corporation of the University of Louisville.