

# NORTHERN KENTUCKY NKU

## Intellectual Property Policy

This intellectual property policy was approved on.....and replaces all previous Intellectual Property or Patent policies and revisions. It is effective ....as approved by the Board of Regents of Northern Kentucky University.

### 1. Introduction

Northern Kentucky NKU (NKU) is a public institution devoted to teaching, research, service and other scholarly activities. In the course of conducting their normal scholarly activities, NKU faculty, staff, other employees and students add to the knowledge base. Some of these activities are supported by NKU from its own resources and/or by contracts or grants with outside sponsors. NKU should disseminate such knowledge for the public good. In this context, facilitating the process whereby NKU creative and scholarly works may be put to public use and/or commercial application is an important aspect of the service mission of NKU. This document defines and established the respective rights, equities and obligations of NKU and its scholars and employees to any copyrightable or patentable materials, inventions or discoveries (hereinafter referred to as intellectual property), resulting from their work. Generally speaking, ownership of patentable work is vested in the NKU. Copyrightable works are subdivided into Traditional Works of Scholarship, ownership of which remains with the Creator of the work, and NKU Works, as to which the NKU retains ownership. The revenues from intellectual property owned by NKU are distributed according to the formula set out in this policy. The income that may result from this activity should be used to assist NKU and its employees by furthering their academic roles, as required by law and NKU policy.

### 2. Definitions

- A. **“Invention”** shall include but is not limited to any discovery, process, composition of matter, article of manufacture, know-how, design, model, technological development, biological material, strain, variety, culture of any organism, or portion, modification, translation, or extension of these items, which is or may be patentable or which may be commercially licensable, and any mark used in connection with these items.
- B. **“Patentable Intellectual Property”** describes inventions, discoveries, and manufacturing designs that have been conceived or reduced to practice, and are novel, useful, and non-obvious, and therefore likely to be subject to protection under United States patent law. It also includes, but it not limited to, the physical embodiments of intellectual effort, such as machines, devices, apparatus, instrumentation, computer programs, and biological materials.

- C. **“Copyrightable Intellectual Property”** describes original works of authorship that have been fixed in a tangible medium of expression, including books, articles, artwork, music, dramatic works, sound recordings, software, traditional or electronic correspondence, and instructional materials (including online instructional materials), that are likely to be subject to protection under United States copyright law.
- D. **“Creator”** shall include faculty (including part-time, visiting and lecturer appointments), visiting researchers, staff, administrators, students, volunteers, any groups or combinations thereof, and any others using funds, facilities or resources of NKU as the authors, creators, or inventors of Intellectual Property.
- E. **“Traditional Works of Scholarship”** are scholarly and creative works regardless of their form, which are created by academic appointees or students, and which have not been the subject of Exceptional NKU Support or external contracts or grants. Examples of Traditional Works of Scholarship include scholarly publications, journal articles, research bulletins, monographs, books, play scripts, theatrical productions, poems, works of music and art, instructional materials, and non-patentable software.
- F. **“Exceptional NKU Support”** is financial or other support (facilities, equipment, etc.) for research and teaching activities that exceeds the norm for a faculty member or student’s research or for teaching in his or her field or department. The term does not include the use of personal office space, local telephone, library resources and personal computer equipment. The following examples define exceptional NKU support when they are applied in support of a revenue producing work. It is the responsibility of the dean or equivalent supervisor in concert with the Vice Provost of Graduate Education, Research and Outreach to evaluate situations and determine whether exceptional NKU support has occurred. Faculty members or other employees have an obligation to notify their supervisor when they believe their work will involve more than incidental use.
- i. Extended use of time and energy by the creators in creation of a work that results in a reduction in the levels of teaching, scholarship or other NKU assigned activities.
  - ii. Greater than incidental use of NKU facilities such as laboratories, studios, specialized equipment, production facilities or specializing computing resources in direct support of the work in question.
  - iii. Specifically designated NKU funds to support the work’s creation, publication, or production
  - iv. Direct assignment or commission from NKU to undertake a creative project as part of the creator’s regular appointment
  - v. Significant use of funding from gifts to NKU to support the creation of the work
  - vi. Production of the works under specific terms of a sponsored research grant or contract.
  - vii. For Online Instruction, Exceptional NKU Support includes: provision of designated technical assistance, such as audio-visual department personnel or a qualified graduate assistant, to assist development of an online course, or provision of specialized software or hardware purchased for a particular online

project, or provision of other technical services commissioned from a third party to assist with a particular online project which exceeds normal NKU support for traditional courses, or commissioned by NKU by the provision of release time or other compensation to a faculty member as an adjustment to normal assigned duties for the purpose of creating an online course, which exceeds normal NKU support for traditional courses.

G. **“NKU Works”** are materials (including Online Instructional Materials) that:

- i. have been specifically commissioned by a NKU office, and, except as expressly provided otherwise in a written agreement, include recordings (whether audio, video, audiovisual, film, or other media) of performances, presentations, talks, course materials or other educational or extracurricular activities of NKU students, faculty, staff, visitors, and/or third parties, that are made by or at the request of NKU;
- ii. have been created by NKU employees who are not academic appointees;
- iii. have been developed with Exceptional NKU Support; or
- iv. constitute Externally Funded Works.

H. **“Externally Funded Works”** are copyrightable or patentable works resulting from funds given to the NKU by external sources.

### **3. What is Covered**

Generally speaking, ownership of patentable or potentially patentable work is vested in NKU. Copyrightable works are subdivided into Traditional Works of Scholarship, ownership of which remains with the creator of the work, and NKU Works, as to which NKU retains ownership. Trademarks, service marks, symbols, designs, slogan, and seals used to identify the services of NKU are not subject to the provisions of this Intellectual Property Policy.

#### **A. Patentable Intellectual Property**

- i. NKU owns and shall have the sole right to determine the disposition of NKU Works and Patentable Intellectual Property under this Policy, including decisions concerning patent licensing and sale. Determination of those dispositions shall take into account the interests of NKU, the public, and the Creator.
- ii. Upon becoming subject to this policy, Creators will assign all right, title, and interest in NKU Works and Patentable Intellectual Property to NKU. Creators shall disclose promptly to NKU any potentially Patentable Intellectual Property on forms made available by NKU.
- iii. NKU shall assess all disclosures submitted to it in a timely fashion, normally within 60 days, to determine whether NKU should seek patent protection for the intellectual property. NKU shall promptly notify the Creator of the intellectual property of the results of its assessment.

- iv. Distribution of revenues derived from Patentable Intellectual Property shall be distributed to all Creators in accordance with Section 6 of this policy, unless legal requirements or contractual agreements require otherwise.

## **B. Traditional Works of Scholarship**

- i. This policy recognizes the long standing custom and understanding that faculty members own copyright to their Traditional Works of Scholarship. A member of NKU is entitled to copyright from any such Traditional Works of Scholarship. Individual work so defined is automatically exempt from the formal review procedures of this policy.
- ii. NKU retains a nonexclusive, perpetual, royalty-free license to use Traditional Works of Scholarship for noncommercial purposes.

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 an Intellectual Property Research Disclosure Form 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.

- iii. On-line instructional materials are considered Traditional Works of Scholarship, unless they are –
  - a) specifically commissioned by NKU from a faculty member or any other person,
  - b) created using Exceptional NKU Support, or
  - c) created by non-faculty staff within the scope of their employment, in which case they are considered NKU Works. This policy only applies to the aspects of the materials that are separable from other protected intellectual property that is incorporated into or utilized by the online materials.

## **C. NKU Works**

- i. NKU owns and retains all rights to use and commercialize NKU Works. NKU may assign its ownership rights to NKURF so that NKURF can manage the intellectual property. Creators hereby assign all right, title, and interest in NKU Works to NKU. NKU may choose to forego or modify its ownership of a NKU Work and associated rights, through a written agreement with the Creators of the work and/or NKURF.
- ii. In the absence of contractual or legal restrictions to the contrary, and with the exceptions noted below, NKU grants Creators who are academic appointees or students' non-exclusive rights to non-commercial use and distribution of NKU Works they have authored. The rights granted Creators under this subsection shall not extend to the following NKU Works: (a) recordings of performances, presentations, talks, or other educational or extracurricular activities by or involving Creators; or (b) software authored by Creators.

#### **D. Externally Funded Works**

Externally Funded Works shall be considered NKU Works for all purposes, except that the terms of their respective sponsorship agreements or applicable laws shall take priority over this policy.

Exceptions. NKU will not hold any ownership rights in Intellectual Property to the extent that:

- i. federal or state law provides that some party other than NKU 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 exceptional NKU support.
- iii. the Intellectual Property related to same is a Traditional Work, unless the Traditional Work was specifically commissioned by NKU;
- iv. the Intellectual Property was produced by gratis faculty, unless the Intellectual Property was produced utilizing Exceptional NKU Support or personnel of NKU, or specifically commissioned by NKU.

In the above situations (E.ii., E.iii., and E.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.

- v. **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. NKU will not assert intellectual property rights when Creators have placed their inventions in the public domain, but NKU 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.

## **4. Who is Covered**

- A. For all employees of NKU in any capacity, full time or part time, this policy is a condition of employment.
- B. Persons who create intellectual property using NKU resources in whole or part, whether or not they have an employment relationship, student relationship, or other relationships with NKU.
- C. Students who independently create Intellectual Property arising out of their participation in programs of study at NKU without the use of Exceptional NKU Support, and that do not result from their employment by NKU, will retain the legal rights thereto ("Student

Intellectual Property”). Intellectual Property created by students through the use of Exceptional NKU Support or in connection with their employment by NKU is owned by the NKU.

A student, as a condition of enrollment, grants a perpetual, royalty-free license to the NKU to reproduce and publicly distribute, on a noncommercial basis, Student Intellectual Property such as copies of student project reports, theses or dissertations, including any computer software developed as part of the student project, thesis or dissertation

## 5. Authority

- A. **Overall responsibility.** The overall responsibility of this policy is vested in the Vice Provost for Graduate Education, Research and Outreach. This will include operations at the NKU level and management of activity of NKURF as related to NKU Works and Patentable Intellectual Property. The Vice Provost for Graduate Education, Research and Outreach, in consultation with Legal Affairs, is authorized, subject to NKU’s contract policy, to enter contracts for the development of NKU Works or Patentable Intellectual Property. NKU Works or Patentable Intellectual Property assigned to NKURF shall be managed by NKURF on behalf of NKU according to the policies outlined in this document.
- B. **Responsibilities of the NKU/NKURF.** NKU, in conjunction with NKURF, will be responsible for determining the feasibility of commercializing NKU Works or Patentable Intellectual Property. If such property is deemed to have commercial value, NKU will assign its rights to the NKURF and the NKURF will have the legal and financial responsibility to carry the commercialization forward. All costs, including protecting and promoting copyright or patent applications, will be paid by NKU or the NKURF. The NKURF, in conjunction with NKU, will be responsible for making decisions regarding the marketing and/or licensing of all NKU Works or Patentable Intellectual Property. In general, all licenses will include a nonrefundable license fee, patent or copyright expense reimbursement, royalty and minimum royalty payments, and a requirement of diligence and march-in rights where the licensee does not perform adequately.

The Creator of the Intellectual Property may request in writing that all NKU or NKURF rights in such NKU Works or Patentable Intellectual Property be reassigned to the Creator. To the extent the Intellectual Property is not subject to any restrictions, and provided that all other co- Creators, if any, of the subject NKU Works or Patentable Intellectual Property consent to the request, NKU or NKURF shall reasonably consider such a request. Any reassignment of the rights by NKU or the NKURF to the Creator shall be limited only to the substance disclosed in the original disclosure form officially on record with NKU and further subject to NKU reserving perpetual rights to use the subject Intellectual Property for any noncommercial purpose, such as research and other educational purposes, at no cost to NKU.

- C. **Responsibilities of the Creator.** In addition to the disclosure responsibilities set forth in Section B above, Creator will cooperate with NKU or its designee in its effort to evaluate and protect the commercial value of any NKU Works or Patentable Intellectual Property. This would include but not be limited to notifying the appropriate office of any third party interest in the property and assisting in the preparation of any legal documents required to protect the

NKU Works or Patentable Intellectual Property. The Creator will also work collaboratively with NKURF to determine the best course of action regarding the commercialization and marketing of the Intellectual Property. To ensure that NKU is aware of all such Intellectual Property, all those persons covered by this Policy are required to disclose to NKU any Intellectual Property, except those Traditional Works as defined in Section 2. When in doubt about whether or not Intellectual property may, in a reasonable opinion, have commercial value, the Creator should complete an Intellectual Property Research Disclosure Form and consult with the Office of Graduate Education, Research and Outreach about any commercial potential. Such disclosure shall occur either simultaneously with or prior to public disclosure.

- D. **Signatory Authority.** Unless otherwise designated in writing by the Vice Provost for Graduate Education, Research and Outreach, signature authority for subjects covered by this Policy shall rest solely in the Vice Provost for Graduate Education, Research and Outreach.
- E. **Intellectual Property Review Committee.** The Board of NKURF will serve as the Intellectual Property Review Committee. The Vice Provost for Graduate Education, Research and Outreach or designee will serve as the chairperson. The Board may consult with others as they see fit.

## 6. Revenue Distribution

A. **Royalties and Other Income.** All royalties and other income arising from NKU Works or Patentable Intellectual Property which has been assigned to NKURF shall be administered by the Vice Provost for Graduate Education, Research and Outreach on behalf of the NKURF in such a manner as it may be determined, provided that, unless otherwise agreed, no less than fifty percent (50%) of the 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 is distributed as follows:

- 15 percent to GERO for supporting scholarly activities on campus
- 12.5 percent to the Creator's NKU department
- 12.5 percent to the Creator's NKU college
- 10 percent to NKURF

B. **Multiple creators.** 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 an Intellectual Property Research Disclosure Form is submitted. If the Creators cannot reach an agreement among themselves, the NKURF Board shall meet to evaluate the claims of all Creators and render a binding decision. The NKURF Board may rely on testimony from the Creator's Deans and Department Heads in so doing, but is not required to do so.

## 7. Dispute Resolution

Disputes arising over the application of this policy shall be brought to the attention of the Provost, who shall refer the matter to the NKURF Board. The committee will render a

determination in writing to the Provost within thirty (30) days of receiving the Creator's written appeal. The Committee's decision regarding disputes may be appealed in writing to the Provost within thirty (30) days of the Committee's decision. The decision of the Provost will be final.

## 8. Process of Disclosure

As a condition of employment or matriculation, all faculty, staff, other employees, and students of the NKU agree to comply with the policies of NKU. 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 Office of Graduate Education, Research and Outreach.

- A. **Intellectual Property Research Disclosure Form.** Whenever a NKU faculty, staff, other employee, or student, operating under the scope of this Policy, creates or obtains research results that may have commercial value and do not fall within the scope of the exception of this Policy Section 3, the Creator shall notify the Vice Provost for Graduate Education, Research and Outreach in writing via an official Research Disclosure Form.
- i. If the Creator believes that the content of the Intellectual Property Research Disclosure Form falls within one of the exceptions of Section 3, the Creator shall mark the Intellectual Property 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 NKU or NKURF in obtaining and maintaining legal protection by disclosing essential information, signing applications and other necessary documents and assigning any rights to technology provided, however, that NKU or NKURF shall reimburse the Creator for any out-of-pocket expenses incurred by providing such assistance.
  - iv. **Written Response.** The Vice Provost for Graduate Education, Research and Outreach or designee shall provide a written communication to the Creator with notification of the date of receipt of the Intellectual Property Research Disclosure Form, and evaluate the merits of the Intellectual Property and the equities involved.

The decision shall convey one of three alternatives:

- a. **ELECTED.** If NKU or the NKURF Board finds potential commercial value in the Research Disclosure, NKU will notify the Creator that it has "ELECTED to Retain Title" and will move forward with marketing of the Research Disclosure. The Vice Provost for Graduate Education, Research and Outreach will apprise the Creator, in writing, of all marketing and development activities NKU has undertaken with respect to their Research Disclosure every six months. It is important to have a close working relationship between the creator and the GERO office. Creator's knowledge



of their research, and of companies active in related technologies, are key elements of the technical and market assessment for an invention and of the search for licensees. 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.

NKU has a contractual obligation to inform federal agencies of inventions within two months after they are disclosed to the Office of Graduate Education, Research and Outreach, to elect to retain title within two years, and to file a patent within one year of election.

If NKU elects to retain title, the creator will be eligible to apply for commercialization gap funds to further develop their intellectual property. Should budget considerations constrain fund availability faculty will be notified at the beginning of the academic year.

PENDING. NKU encourages full disclosure as early as possible in the development process. If the invention is not yet fully developed, the Vice Provost for Graduate Education, Research and Outreach 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 Graduate Education, Research and Outreach 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 Graduate Education, Research and Outreach shall re-activate the file and treat it as a new Research Disclosure.

- b. NON-ELECTED. If NKU or the NKURF Board finds there is not enough potential commercial value in the Research Disclosure to warrant further NKU investment, they will notify the Creator that the NKU 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.

The Vice Provost for Graduate Education, Research and Outreach shall also notify the chairperson of the Creator's department and the appropriate dean or vice president:

- a) At the time of Research Disclosure that the disclosure of an Invention has been made; and
  - b) At the time of NOTICE TO CREATOR by providing a copy of such NOTICE and the decision therein conveyed.
- v. Release of Intellectual Property. If NKU or the NKURF Board elects to release some or all ownership rights to Creator, the Creator shall be free, subject to law and prior agreements, to proceed independently only with respect to the specific Invention disclosed.

- B. **Development of Technology.** Upon ELECTION of the Invention in the Intellectual Property Research Disclosure, the Office of Graduate Education, Research and Outreach 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 Invention through a patent application, or copyright registration filed by NKU or NKURF;
- 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.

\*The Creator(s) has first right of refusal to commercialize their invention.

## **9. Agreements**

- A. Consulting: It is the responsibility of individual members of the NKU 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 NKU. Each individual should 1) make the nature of their obligations to the NKU clear to any third party for whom the individual expects to consult and 2) should inform such third parties that the NKU does have a formal Intellectual Property Policy, and further inform third parties that such Policy is available online at <http://xxxxx>. More specifically, the scope of any consulting services should be expressly distinguished from the scope of research commitments at the NKU, and should not utilize any NKU facilities or resources without first negotiating appropriate compensation for such use with the NKU. In the case of conflict between requested consulting and NKU research commitments, individuals should work with the Office of Research, Grants and Contracts to establish an appropriate Sponsored Research Agreement. Rights to inventions arising from a business or industry sponsored research project should be prescribed in the sponsored research agreement.

## MEMORANDUM

To: PCC  
From: Ken Katkin, Chair  
Re: Proposed Revisions to Intellectual Property Policy  
Date: Feb 23, 2017

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On October 26, 2009, the Board of Regents of Northern Kentucky University adopted an Intellectual Property for the University. This policy superseded an earlier Intellectual Property Policy that had appeared in the 1994 version of the NKU Faculty Handbook. The 2009 policy remains in effect today, and appears as Appendix F in the current version of the NKU Faculty Handbook.

In Spring 2016, in response to request from PCC Members and other faculty members, PCC took up the issue of Intellectual Property policy. At that time, NKU Vice Provost for Graduate Education, Research and Outreach Samantha Langley-Turnbaugh met with PCC to solicit PCC's concerns about the 2009 policy. Over the summer of 2016, Dr. Langley-Turnbaugh drafted a proposed new policy, as well as two additional explanatory documents that explained aspects of the draft policy. In Fall 2016, Dr. Langley again met with PCC to review the draft policy. In this meeting, a large number of concerns with the new policy were raised. Dr. Langley then agreed to revise the policy to address these concerns.

This discussion draft sets forth proposed revisions to the draft policy whose adoption would be necessary to address the concerns raised by PCC Members. It should be noted that although PCC initially took up this issue in hopes of making the current policy more faculty-friendly, the current draft policy is faculty-unfriendly in several significant respects. In particular, as compared with the 2009 policy currently in effect, the proposed draft policy would:

- Enable the university to assert copyright ownership in works of scholarly and creative activity created by faculty members, even in the absence of an express agreement;
- Enable the university to assert copyright ownership in teaching materials created by faculty members, even in the absence of an express agreement;
- Change the stated purpose of the intellectual property from meeting “the need to encourage the production of creative and scholarly works” to “facilitating the process whereby NKU creative and scholarly works may be put to public use and/or commercial application”;
- Create ambiguity about ownership of intellectual property in some instances where the current policy provides clarity; and
- Reduce the royalty rates and expense-reimbursements paid to faculty members whose patentable intellectual property is commercialized with the assistance of the University.

Over the years, the faculty has expressed concerns about the 2009 Intellectual Property policy now in effect. However, unless amended as indicated below, the proposed draft policy would not address those concerns, but instead would leave the faculty worse off than under the present policy.

# NORTHERN KENTUCKY NKU

## Intellectual Property Policy

This intellectual property policy was approved on.....and replaces all previous Intellectual Property or Patent policies and revisions. It is effective ....as approved by the Board of Regents of Northern Kentucky University.

### 1. Introduction

~~Northern Kentucky NKU (NKU) is a public institution devoted to teaching, research, service and other scholarly activities. In the course of conducting their normal scholarly activities, NKU faculty, staff, other employees and students add to the knowledge base. Some of these activities are supported by NKU from its own resources and/or by contracts or grants with outside sponsors. NKU should disseminate such knowledge for the public good. In this context, facilitating the process whereby NKU creative and scholarly works may be put to public use and/or commercial application is an important aspect of the service mission of NKU. This document defines and established the respective rights, equities and obligations of NKU and its scholars and employees to any copyrightable or patentable materials, inventions or discoveries (hereinafter referred to as intellectual property), resulting from their work. Generally speaking, ownership of patentable work is vested in the NKU. Copyrightable works are subdivided into Traditional Works of Scholarship, ownership of which remains with the Creator of the work, and NKU Works, as to which the NKU retains ownership. The revenues from intellectual property owned by NKU are distributed according to the formula set out in this policy. The income that may result from this activity should be used to assist NKU and its employees by furthering their academic roles, as required by law and NKU policy.~~

Northern Kentucky University, hereinafter referred to as the "University," is dedicated to teaching, research, and the sharing of knowledge with the public. The University recognizes as two of its major objectives the production of new knowledge and the dissemination of old and new knowledge. Inherent in these objectives is the need to encourage the production of creative and scholarly works and the development of new and useful materials, devices, processes, and other inventions, some of which may have potential for commercialization. Such activities contribute to the professional development of the individuals involved, enhance the reputation of the University, provide additional educational opportunities for participating students, and promote the general welfare of the public at large. Such creative and scholarly works and inventions that have commercial potential may be protected under the laws of various countries that establish rights regarding "Intellectual Property," a term that includes patents, copyrights, trade secrets, trademarks, plant variety protection, and other rights. Such Intellectual Property often comes about because of activities of University faculty, administrators, staff and students who have been aided through use of University resources, including facilities, equipment, funds, etc. The University as well as the authors, creators, or inventors,

hereinafter referred to as the "Originators," have rights that must be protected in order that future creativity may be encouraged and stimulated. It is therefore important to establish clear policies regarding the ownership, commercialization, and financial rewards resulting from the creation of such Intellectual Property. In order to establish the respective rights and obligations of the University and Originators regarding Intellectual Property, the University has established the following Intellectual Property Policy.

## 2. Definitions

- A. **"Invention"** shall include but is not limited to any discovery, process, composition of matter, article of manufacture, know-how, design, model, technological development, biological material, strain, variety, culture of any organism, or portion, modification, translation, or extension of these items, which is or may be patentable or which may be commercially licensable, and any mark used in connection with these items.
- B. **"Patentable Intellectual Property"** describes inventions, discoveries, and manufacturing designs that have been conceived or reduced to practice, and are novel, useful, and non-obvious, and therefore likely to be subject to protection under United States patent law. It also includes, but is not limited to, the physical embodiments of intellectual effort, such as machines, devices, apparatus, instrumentation, computer programs, and biological materials.
- C. **"Copyrightable Intellectual Property"** describes original works of authorship that have been fixed in a tangible medium of expression, including books, articles, artwork, music, dramatic works, sound recordings, software, traditional or electronic correspondence, and instructional materials (including online instructional materials), that are likely to be subject to protection under United States copyright law.
- D. **"Creator"** shall include faculty (including part-time, visiting and lecturer appointments), visiting researchers, staff, administrators, students, volunteers, any groups or combinations thereof, and any others using funds, facilities or resources of NKU as the authors, creators, or inventors of Intellectual Property.
- E. **"Traditional Works of Scholarship"** are scholarly and creative works regardless of their form, which are created by academic appointees or students, and which have not been the subject of Exceptional NKU Support or external contracts or grants. Examples of Traditional Works of Scholarship include scholarly publications, journal articles, research bulletins, monographs, books, play scripts, theatrical productions, poems, works of music and art, instructional materials, and non-patentable software.
- F. **"Exceptional NKU Support"** is financial or other support (facilities, equipment, etc.) for research and teaching activities that exceeds the norm for a faculty member or student's research or for teaching in his or her field or department. The term does not include the use of personal office space, local telephone, library resources and personal computer equipment. **No faculty member shall be deemed to have received Exceptional NKU**

**Support unless that faculty member has expressly and individually agreed, in writing, to this characterization as a condition of receiving the grant or award of support at issue.** The following examples **illustrate forms of support that might qualify as** Exceptional NKU Support when ~~they are~~ applied in support of a revenue producing work. It is the responsibility of the dean or equivalent supervisor in concert with the Vice Provost of Graduate Education, Research and Outreach to evaluate situations and determine whether exceptional NKU support ~~has occurred~~ **might be at issue.** Faculty members or other employees have an obligation to notify their supervisor when they believe their work will involve more than incidental use.

- ~~i. Extended use of time and energy by the creators in creation of a work that results in a reduction in the levels of teaching, scholarship or other NKU assigned activities~~
- ii. Greater than incidental use of NKU facilities such as laboratories, studios, specialized equipment, production facilities or specializing computing resources **that were purchased** in direct support of the work in question.
- ~~iii. Specifically designated NKU funds to support the work's creation, publication, or production~~
- iv. Direct ~~assignment or~~ commission from NKU to undertake a creative project, or, **except for faculty members, assignment within** ~~as part of~~ the creator's regular **scope of employment** ~~appointment.~~
- v. Significant use of funding from gifts to NKU to support the creation of the work
- vi. Production of the works under specific terms of a sponsored research grant or contract.
- vii. For Online Instruction, Exceptional NKU Support **might** include: provision of designated technical assistance, such as audio-visual department personnel or a qualified graduate assistant, to assist development of an online course, or provision of specialized software or hardware purchased for a particular online project, or provision of other technical services commissioned from a third party to assist with a particular online project which exceeds normal NKU support for traditional courses, or commissioned by NKU by the provision of release time or other compensation to a faculty member as an adjustment to normal assigned duties for the purpose of creating an online course, which exceeds normal NKU support for traditional courses.
- viii. **Ordinarily, a reduction in the levels of teaching, scholarship or other NKU assigned activities shall not constitute Exceptional NKU Support. In particular, differential teaching loads awarded under "active scholar" policies or other college or departmental policies shall not constitute Exceptional NKU Support. Similarly, ordinary NKU Project Grants, Summer Fellowships, and Sabbaticals awarded by the Provost's Office on recommendation of the Faculty Senate Benefits Committee shall not constitute Exceptional NKU Support.**

G. "NKU Works" are materials (~~including Online Instructional Materials~~) that:

- i. have been specifically commissioned by a NKU office, ~~and, except~~ as expressly provided ~~otherwise~~ in a written agreement, **and may** include recordings (whether audio, video, audiovisual, film, or other media) of performances, presentations, talks, course materials or other educational or extracurricular activities of NKU students, faculty, staff, visitors, and/or third parties, that are made by or at the request of NKU;
- ii. have been created by NKU employees who are not academic appointees;
- iii. have been developed with Exceptional NKU Support; or
- iv. constitute Externally Funded Works.

H. “Externally Funded Works” are ~~copyrightable or~~ patentable works resulting from funds given to the NKU by external sources.

### 3. What is Covered

**The primary functions of the University are education, research and public service. It is in the context of public service that the University supports efforts directed toward bringing the fruits of University research and creative works to public use and benefit. In many cases, mere publication of the work will be sufficient to transfer University research and artistic works to the public. In other cases, it is necessary to encourage industry, through protection of the Intellectual Property and the granting of certain licensing rights, to invest its resources to develop products and processes for use by the public.**

Generally speaking, ownership of patentable or potentially patentable work is vested in NKU. **Generally speaking, but subject to certain exceptions detailed below, ownership of copyrightable works is vested in the faculty members who create the work.** ~~—are subdivided into Traditional Works of Scholarship, ownership of which remains with the creator of the work, and NKU Works, as to which NKU retains ownership.~~ Trademarks, service marks, symbols, designs, slogan, and seals used to identify the services of NKU are not subject to the provisions of this Intellectual Property Policy.

#### A. Patentable Intellectual Property

- i. NKU owns and shall have the sole right to determine the disposition of NKU Works and Patentable Intellectual Property under this Policy, including decisions concerning patent licensing and sale. Determination of those dispositions shall take into account the interests of NKU, the public, and the Creator.
- ii. Upon becoming subject to this policy, Creators will assign all right, title, and interest in NKU Works and Patentable Intellectual Property to NKU. Creators shall disclose promptly to NKU any potentially Patentable Intellectual Property on forms made available by NKU.
- iii. NKU shall assess all disclosures submitted to it in a timely fashion, normally within 60 days, to determine whether NKU should seek patent protection for the

intellectual property. NKU shall promptly notify the Creator of the intellectual property of the results of its assessment.

- iv. Distribution of revenues derived from Patentable Intellectual Property shall be distributed to all Creators in accordance with Section 6 of this policy, unless legal requirements or contractual agreements require otherwise.

## **B. Copyrightable Works:**

**This policy recognizes the longstanding custom and understanding that faculty members own copyright to their scholarly and creative work. In general, this understanding extends to administrators, staff and students with regards to their professional work or studies. Therefore, copyright ownership of all work created by faculty, administrators, staff, students or others shall vest in the Originator except under the following circumstances:**

### **For both Traditional and Encoded Copyrightable Works:**

1. **Subordination to Other Agreements: Copyright ownership of all material that is developed in the course of or pursuant to a sponsored research or other agreement to which the University or its designee is a party shall be determined in accordance with the terms of the sponsored research or other agreement. In the absence of terms specifically assigning ownership, the copyright shall become the property of the University only if the terms of such agreement directly or indirectly create University obligations as to Intellectual Property developed thereunder or if ownership is conferred upon the University by operations of another provision of this Policy.**
2. **University Assigned Work or "Works for Hire": The copyright of material that is created by administrators, staff or students within the scope of University employment or by faculty pursuant to a specific direction or agreed assigned duty (other than the traditional obligation of teaching courses) from the University or any of its units shall be the property of the University.**

### **For Encoded Copyrightable Works Only:**

1. **Substantial Use of University Resources: Copyright ownership of all Encoded Copyrightable Works which are developed with the Substantial Use of University Resources shall reside in the University.**

## **C. Traditional Works of Scholarship**

- i. This policy recognizes the long standing custom and understanding that faculty members own copyright to their Traditional Works of Scholarship. A member of NKU is entitled to copyright from any such Traditional Works of Scholarship. Individual work so defined is automatically exempt from the formal review procedures of this policy.
- ii. **All copyrightable works produced by faculty members are deemed Traditional Works of Scholarship unless a faculty member has expressly and**



**individually agreed, in writing, that the work may be deemed an NKU Work, in part or in full.**

- iii. ~~NKU retains a nonexclusive, perpetual, royalty-free license to use Traditional Works of Scholarship for noncommercial purposes.~~

~~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 an Intellectual Property Research Disclosure Form 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.~~

- i. On-line instructional materials **created by faculty members** are considered Traditional Works of Scholarship, unless they are specifically commissioned **under an express individual agreement that transfers copyright in the work to NKU** ~~deems the w by NKU from a faculty member or any other person, created using Exceptional NKU Support, or~~
- ii. **On-line instructional** created by non-faculty staff within the scope of their employment, ~~in which case they~~ are considered NKU Works.
- iii. This policy only applies to the aspects of the materials that are separable from other protected intellectual property that is incorporated into or utilized by the online materials.

#### **D. NKU Works**

- i. NKU owns and retains all rights to use and commercialize NKU Works. NKU may assign its ownership rights to NKURF so that NKURF can manage the intellectual property. Creators hereby assign all right, title, and interest in NKU Works to NKU. NKU may choose to forego or modify its ownership of a NKU Work and associated rights, through a written agreement with the Creators of the work and/or NKURF.
- ii. In the absence of contractual or legal restrictions to the contrary, and with the exceptions noted below, NKU grants Creators who are academic appointees or students non-exclusive rights to non-commercial use and distribution of NKU Works they have authored. ~~The rights granted Creators under this subsection shall not extend to the following NKU Works: (a) recordings of performances, presentations, talks, or other educational or extracurricular activities by or involving Creators; or (b) software authored by Creators.~~

#### **E. Externally Funded Works**

Externally Funded Works shall be considered NKU Works for all purposes, except that the terms of their respective sponsorship agreements or applicable laws shall take priority over this policy.

Exceptions. NKU will not hold any ownership rights in Intellectual Property to the extent that:

- i. federal or state law provides that some party other than NKU 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 exceptional NKU support.
- iii. the Intellectual Property related to same is a Traditional Work, unless the Traditional Work was specifically commissioned by NKU;
- iv. the Intellectual Property was produced by gratis faculty, unless the Intellectual Property was produced utilizing Exceptional NKU Support or personnel of NKU, or specifically commissioned by NKU.

In the above situations (E.ii., E.iii., and E.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.

- v. **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. NKU will not assert intellectual property rights when Creators have placed their inventions in the public domain, but NKU 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.

## **4. Who is Covered**

- A. For all employees of NKU in any capacity, full time or part time, this policy is a condition of employment.
- B. Persons who create intellectual property using NKU resources in whole or part, whether or not they have an employment relationship, student relationship, or other relationships with NKU.
- C. Students who independently create Intellectual Property arising out of their participation in programs of study at NKU without the use of Exceptional NKU Support, and that do not result from their employment by NKU, will retain the legal rights thereto ("Student Intellectual Property"). Intellectual Property created by students through the use of Exceptional NKU Support or in connection with their employment by NKU is owned by the NKU.

A student, as a condition of enrollment, grants a perpetual, royalty-free license to the NKU to reproduce and publicly distribute, on a noncommercial basis, Student Intellectual Property such as copies of student project reports, theses or dissertations, ~~including any computer software developed as part of the student project, thesis or dissertation.~~

## 5. Authority

- A. **Overall responsibility.** The overall responsibility of this policy is vested in the Vice Provost for Graduate Education, Research and Outreach. This will include operations at the NKU level and management of activity of NKURF as related to NKU Works and Patentable Intellectual Property. The Vice Provost for Graduate Education, Research and Outreach, in consultation with Legal Affairs, is authorized, subject to NKU's contract policy, to enter contracts for the development of NKU Works or Patentable Intellectual Property. NKU Works or Patentable Intellectual Property assigned to NKURF shall be managed by NKURF on behalf of NKU according to the policies outlined in this document.
- B. **Responsibilities of the NKU/NKURF.** NKU, in conjunction with NKURF, will be responsible for determining the feasibility of commercializing NKU Works or Patentable Intellectual Property. If such property is deemed to have commercial value, NKU will assign its rights to the NKURF and the NKURF will have the legal and financial responsibility to carry the commercialization forward. All costs, including protecting and promoting copyright or patent applications, will be paid by NKU or the NKURF. The NKURF, in conjunction with NKU, will be responsible for making decisions regarding the marketing and/or licensing of all NKU Works or Patentable Intellectual Property. In general, all licenses will include a nonrefundable license fee, patent or copyright expense reimbursement, royalty and minimum royalty payments, and a requirement of diligence and march-in rights where the licensee does not perform adequately.

The Creator of the Intellectual Property may request in writing that all NKU or NKURF rights in such NKU Works or Patentable Intellectual Property be reassigned to the Creator. To the extent the Intellectual Property is not subject to any restrictions, and provided that all other co- Creators, if any, of the subject NKU Works or Patentable Intellectual Property consent to the request, NKU or NKURF shall reasonably consider such a request. Any reassignment of the rights by NKU or the NKURF to the Creator shall be limited only to the substance disclosed in the original disclosure form officially on record with NKU and further subject to NKU reserving perpetual rights to use the subject Intellectual Property for any noncommercial purpose, such as research and other educational purposes, at no cost to NKU.

- C. **Responsibilities of the Creator.** In addition to the disclosure responsibilities set forth in Section B above, Creator will cooperate with NKU or its designee in its effort to evaluate and protect the commercial value of any NKU Works or Patentable Intellectual Property. This would include but not be limited to notifying the appropriate office of any third party interest in the property and assisting in the preparation of any legal documents required to protect the NKU Works or Patentable Intellectual Property. The Creator will also work collaboratively with NKURF to determine the best course of action regarding the commercialization and marketing of the Intellectual Property. To ensure that NKU is aware of all such Intellectual

Property, all those persons covered by this Policy are required to disclose to NKU any Intellectual Property, except those Traditional Works as defined in Section 2. When in doubt about whether or not Intellectual property may, in a reasonable opinion, have commercial value, the Creator should complete an Intellectual Property Research Disclosure Form and consult with the Office of Graduate Education, Research and Outreach about any commercial potential. Such disclosure shall occur either simultaneously with or prior to public disclosure.

- D. **Signatory Authority.** Unless otherwise designated in writing by the Vice Provost for Graduate Education, Research and Outreach, signature authority for subjects covered by this Policy shall rest solely in the Vice Provost for Graduate Education, Research and Outreach.
- E. **Intellectual Property Review Committee.** The Board of NKURF will serve as the Intellectual Property Review Committee. The Vice Provost for Graduate Education, Research and Outreach or designee will serve as the chairperson. The Board may consult with others as they see fit.

## 6. Revenue Distribution

**A. Royalties and Other Income.** All royalties and other income arising from NKU Works or Patentable Intellectual Property which has been assigned to NKURF shall be administered by the Vice Provost for Graduate Education, Research and Outreach ~~on behalf of the NKURF in such a manner as it may be determined, provided that, unless otherwise agreed, no less than fifty percent (50%) of the 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 is distributed as follows:~~

### ~~A. Royalties~~

Except in the case of Works for Hire, royalty income received by the University through the sale, licensing, leasing or use of intellectual Property, which the University owns pursuant to any section of this Policy, will first be used to reimburse documented expenses in the following order:

1. documented out-of-pocket costs paid by the Originator,
2. costs as described in a contract of support. This would occur when University funds provided a grant, sabbatical, or other support for research that led to the Intellectual Property and where a contract specifying repayment accompanied the grant, sabbatical, or offer of support;
3. direct costs paid by the University or its designee in conjunction with
  - processing of patent or copyright protection,
  - marketing or licensing the Intellectual Property, and
  - any other legal costs related to technology transfer and commercialization.

After expenditures are reimbursed, the royalties and other income will be disbursed as described in the table below:

Distribution of Royalties for Intellectual Property Owned by University

<u>Net License Revenue</u>	<u>Originator<sup>1</sup></u>	<u>College<sup>2</sup></u>	<u>Department</u>	<u>NKURF</u>	<u>GERO</u>
<u>&lt;\$5,000</u>	<u>100%</u>				
<u>\$5,001 &lt;&gt; \$50,000</u>	<u>60%</u>	<u>10%</u>	<u>10%</u>	<u>10%</u>	<u>10%</u>
<u>&gt; \$50,001</u>	<u>50%</u>	<u>12.5%</u>	<u>12.5%</u>	<u>10%</u>	<u>15%</u>

In general, these royalties are awarded to the Originator in recognition of his or her significant intellectual contribution to the University. Royalty payments to the Originator's department and college are given to promote additional research and creative works within the department and college. NKURF's portion of the royalties will be used as operating funds in support of its general mission, ongoing management of Intellectual Property matters and to cover the costs of commercialization. Royalties deposited in the GERO fund are to underwrite its functions as well as to provide general support for other research and scholarly activities on campus.

- ~~15 percent to GERO for supporting scholarly activities on campus~~
- ~~12.5 percent to the Creator's NKU department~~
- ~~12.5 percent to the Creator's NKU college~~
- ~~10 percent to NKURF~~

B. **Multiple creators.** 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 an Intellectual Property Research Disclosure Form is submitted. If the Creators cannot reach an agreement among themselves, the NKURF Board shall meet to evaluate the claims of all Creators and render a binding decision. The NKURF Board may rely on testimony from the Creator's Deans and Department Heads in so doing, but is not required to do so.

## 7. Dispute Resolution

Disputes arising over the application of this policy shall be brought to the attention of the Provost, who shall refer the matter to the NKURF Board. The committee will render a determination in writing to the Provost within thirty (30) days of receiving the Creator's written appeal. The Committee's decision regarding disputes may be appealed in writing to the Provost

<sup>1</sup> The Originator's rights to share in net income as stated above shall remain with the individual or pass to the individual's heirs and assigns for so long as revenue is derived from the property.

<sup>2</sup> If the Originator does not report to a college dean, then the administrative unit most comparable to the college will receive this share of the royalties.

within thirty (30) days of the Committee's decision. The decision of the Provost will ~~be final~~ **constitute the final decision of the University.**

## 8. Process of Disclosure

As a condition of employment or matriculation, all faculty, staff, other employees, and students of the NKU agree to comply with the policies of NKU. 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 Office of Graduate Education, Research and Outreach.

- A. **Intellectual Property Research Disclosure Form.** Whenever a NKU faculty, staff, other employee, or student, operating under the scope of this Policy, creates or obtains **patentable** research results that may have commercial value and do not fall within the scope of the exception of this Policy Section 3, the Creator shall notify the Vice Provost for Graduate Education, Research and Outreach in writing via an official Research Disclosure Form.
- i. If the Creator believes that the content of the Intellectual Property Research Disclosure Form falls within one of the exceptions of Section 3, the Creator shall mark the Intellectual Property 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 NKU or NKURF in obtaining and maintaining legal protection by disclosing essential information, signing applications and other necessary documents and assigning any rights to technology provided, however, that NKU or NKURF shall reimburse the Creator for any out-of-pocket expenses incurred by providing such assistance.
  - iv. Written Response. The Vice Provost for Graduate Education, Research and Outreach or designee shall provide a written communication to the Creator with notification of the date of receipt of the Intellectual Property Research Disclosure Form, and evaluate the merits of the Intellectual Property and the equities involved.

The decision shall convey one of three alternatives:

- a. ELECTED. If NKU or the NKURF Board finds potential commercial value in the Research Disclosure, NKU will notify the Creator that it has "ELECTED to Retain Title" and will move forward with marketing of the Research Disclosure. The Vice Provost for Graduate Education, Research and Outreach will apprise the Creator, in writing, of all marketing and development activities NKU has undertaken with respect to their Research Disclosure every six months. It is important to have a close working relationship between the creator and the GERO office. Creator's knowledge

of their research, and of companies active in related technologies, are key elements of the technical and market assessment for an invention and of the search for licensees. 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.

NKU has a contractual obligation to inform federal agencies of inventions within two months after they are disclosed to the Office of Graduate Education, Research and Outreach, to elect to retain title within two years, and to file a patent within one year of election.

If NKU elects to retain title, the creator will be eligible to apply for commercialization gap funds to further develop their intellectual property. Should budget considerations constrain fund availability faculty will be notified at the beginning of the academic year.

PENDING. NKU encourages full disclosure as early as possible in the development process. If the invention is not yet fully developed, the Vice Provost for Graduate Education, Research and Outreach 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 Graduate Education, Research and Outreach 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 Graduate Education, Research and Outreach shall re-activate the file and treat it as a new Research Disclosure.

- b. NON-ELECTED. If NKU or the NKURF Board finds there is not enough potential commercial value in the Research Disclosure to warrant further NKU investment, they will notify the Creator that the NKU 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.

The Vice Provost for Graduate Education, Research and Outreach shall also notify the chairperson of the Creator's department and the appropriate dean or vice president:

- a) At the time of Research Disclosure that the disclosure of an Invention has been made; and
  - b) At the time of NOTICE TO CREATOR by providing a copy of such NOTICE and the decision therein conveyed.
- v. Release of Intellectual Property. If NKU or the NKURF Board elects to release some or all ownership rights to Creator, the Creator shall be free, subject to law and prior agreements, to proceed independently only with respect to the specific Invention disclosed.

- B. **Development of Technology.** Upon ELECTION of the Invention in the Intellectual Property Research Disclosure, the Office of Graduate Education, Research and Outreach 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 Invention through a patent application, or copyright registration filed by NKU or NKURF;
- 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.

\*The Creator(s) has first right of refusal to commercialize their invention.

## **9. Agreements**

- A. Consulting: It is the responsibility of individual members of the NKU 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 NKU. Each individual should 1) make the nature of their obligations to the NKU clear to any third party for whom the individual expects to consult and 2) should inform such third parties that the NKU does have a formal Intellectual Property Policy, and further inform third parties that such Policy is available online at <http://xxxxx>. More specifically, the scope of any consulting services should be expressly distinguished from the scope of research commitments at the NKU, and should not utilize any NKU facilities or resources without first negotiating appropriate compensation for such use with the NKU. In the case of conflict between requested consulting and NKU research commitments, individuals should work with the Office of Research, Grants and Contracts to establish an appropriate Sponsored Research Agreement. Rights to inventions arising from a business or industry sponsored research project should be prescribed in the sponsored research agreement.



# Statement on Copyright

This statement was approved in March 1999 by the Association's Special Committee on Distance Education and Intellectual Property Issues. It was adopted by the Association's Council and endorsed by the Eighty-Fifth Annual Meeting in June 1999.

The objective of copyright is, in the words of the US Constitution, to "promote the progress of science and useful arts." To achieve that objective, authors are given exclusive rights under the Copyright Act to reproduce their works, to use them as the basis for derivative works, to disseminate them to the public, and to perform and display them publicly. Institutions of higher learning in particular should interpret and apply the law of copyright so as to encourage the discovery of new knowledge and its dissemination to students, to the profession, and to the public. This mission is reflected in the 1940 *Statement of Principles on Academic Freedom and Tenure*: "Institutions of higher education are conducted for the common good and not to further the interest of either the individual teacher or the institution as a whole. The common good depends upon the free search for truth and its free exposition."

## Academic Practice

Within that tradition, it has been the prevailing academic practice to treat the faculty member as the copyright owner of works that are created independently and at the faculty member's own initiative for traditional academic purposes. Examples include class notes and syllabi; books and articles; works of fiction and nonfiction; poems and dramatic works; musical and choreographic works; pictorial, graphic, and sculptural works; and educational software, commonly known as "courseware." This practice has been followed for the most part, regardless of the physical medium in which these "traditional academic works" appear; that is, whether on paper or in audiovisual or electronic form. As will be developed below, this practice should therefore ordinarily apply to the development of courseware for use in programs of distance education.

## Unilateral Institutional Policies

Some colleges and universities have promulgated policies, typically unenforced, that proclaim traditional academic works to be the property of

the institution. Faculty handbooks, for example, sometimes declare that faculty members shall be regarded as having assigned their copyrights to the institution. The Copyright Act, however, explicitly requires that a transfer of copyright, or of any exclusive right (such as the exclusive right to publish), must be evidenced in writing and signed by the author-transferor. If the faculty member is indeed the initial owner of copyright, then a unilateral institutional declaration cannot effect a transfer, nor is it likely that a valid transfer can be effected by the issuance of appointment letters to new faculty members requiring, as a condition of employment, that they abide by a faculty handbook that purports to vest in the institution the ownership of all works created by the faculty member for an indefinite future.

Other colleges and universities instead proclaim that traditional academic works are "works made for hire," with the consequence that the institution is regarded as the initial owner of copyright. This institutional claim is often stated to rest upon the use by the faculty member, in creating such works, of college or university resources, such as office space, supplies, library facilities, ordinary access to computers and networks, and money.

The pertinent definition of "work made for hire" is a work prepared by an "employee within the scope of his or her employment." In the typical work-for-hire situation, the content and purpose of the employee-prepared works are under the control and direction of the employer; the employee is accountable to the employer for the content and design of the work. In the case of traditional academic works, however, the faculty member rather than the institution determines the subject matter, the intellectual approach and direction, and the conclusions. This is the very essence of academic freedom. Were the institution to own the copyright in such works, under a work-made-for-hire theory, it would have the power, for example, to decide where the work is to be published, to edit and otherwise revise it, to

prepare derivative works based on it (such as translations, abridgments, and literary, musical, or artistic variations), and indeed to censor and forbid dissemination of the work altogether. Such powers, so deeply inconsistent with fundamental principles of academic freedom, cannot rest with the institution.

### College or University Copyright Ownership

Situations do arise, however, in which the college or university may fairly claim ownership of, or an interest in, copyright in works created by faculty (or staff) members. Three general kinds of projects fall into this category: special works created in circumstances that may properly be regarded as "made for hire," negotiated contractual transfers, and "joint works" as described in the Copyright Act.

1. *Works Made for Hire.* Although traditional academic work that is copyrightable—such as lecture notes, courseware, books, and articles—cannot normally be treated as works made for hire, some works created by college or university faculty and staff members do properly fall within that category, allowing the institution to claim copyright ownership. Works created as a specific requirement of employment or as an assigned institutional duty that may, for example, be included in a written job description or an employment agreement, may be fairly deemed works made for hire. Even absent such prior written specification, ownership will vest with the college or university in those cases in which it provides the specific authorization or supervision for the preparation of the work. Examples are reports developed by a dean or by the chair or members of a faculty committee, or college promotional brochures prepared by a director of admissions. Some institutions appear to treat course examinations as falling within this category, but the stronger case can be made for treating examinations as part of the faculty member's customary instructional materials, with copyright thus owned by the individual.

The Copyright Act also defines as a "work made for hire" certain works that are commissioned from an individual who is not an employee but an "independent contractor." The institution will own the copyright in such a commissioned work when the author is not a college or university employee, or when the author is such an employee but the work to be created falls outside the normal scope of that person's employment duties (such as a

professor of art history commissioned by the institution under special contract to write a catalog for a campus art gallery). In such situations, for the work-made-for-hire doctrine to apply there must be a written agreement so stating and signed by both parties; the work must also fall within a limited number of statutory categories, which include instructional texts, examinations, and contributions to a collective work.

2. *Contractual Transfers.* In situations in which the copyright ownership is held by the faculty (or staff) member, it is possible for the individual to transfer the entire copyright, or a more limited license, to the institution or to a third party. As already noted, under the Copyright Act, a transfer of all of the copyright or of an exclusive right must be reflected in a signed document in order to be valid. When, for example, a work is prepared pursuant to a program of "sponsored research" accompanied by a grant from a third party, a contract signed by the faculty member providing that copyright will be owned by the institution will be enforceable. Similarly, the college or university may reasonably request that the faculty member—when entering into an agreement granting the copyright or publishing rights to a third party—make efforts to reserve to the institution the right to use the work in its internally administered programs of teaching, research, and public service on a perpetual, royalty-free, nonexclusive basis.
3. *Joint Works.* Under certain circumstances, two or more persons may share copyright ownership of a work, notably when it is a "joint work." The most familiar example of a joint work is a book or article written, fully collaboratively, by two academic colleagues. Each is said to be a "co-owner" of the copyright, with each having all the usual rights of the copyright owner (i.e., to license others to publish, to distribute to the public, to translate, and the like), provided that any income from such uses is shared with the other. In rare situations, an example of which is discussed immediately below, it may be proper to treat a work as a product of the joint authorship of the faculty member and his or her institution, so that both have a shared interest in the copyright.

### New Instructional Technologies

The development of new instructional technologies has led to some uncertainties with regard to the respective rights of the institution and its

faculty members. For example, courseware prepared for programs of distance education will typically incorporate instructional content authored and presented by faculty members, but the college or university may contribute specialized services and facilities to the production of the courseware that go beyond what is traditionally provided to faculty members generally in the preparation of their course materials. On the one hand, the institution may simply supply "delivery mechanisms," such as videotaping, editing, and marketing services; in such a situation, it is very unlikely that the institution will be regarded as having contributed the kind of "authorship" that is necessary for a "joint work" that automatically entitles it to a share in the copyright ownership. On the other hand, the institution may, through its administrators and staff, effectively determine or contribute to such detailed matters as substantive coverage, creative graphic elements, and the like; in such a situation, the institution has a stronger claim to co-ownership rights.

#### **Ownership, Control, Use, and Compensation: Informed Allocation of Rights**

Given the varying roles possibly played by the institution and the faculty member, and the nascent state of distance-education programs and technologies, it is not likely that a single principle of law can clearly allocate copyright-ownership interests in all cases. In some instances, the legal rules may warrant the conclusion that the college or university is a "joint author"; in other instances, that the institution should be compensated with royalties commensurate with its investment; and in yet others, that it has some sort of implied royalty-free "license to use" the copyrighted work. It is therefore useful for the respective rights of individual faculty members and the institution—concerning ownership,

control, use, and compensation—to be negotiated in advance and reduced to a written agreement. Although the need for contractual arrangements has become more pressing with the advent of new instructional technologies, such arrangements should be considered even with respect to more traditional forms of authorship when the institution seeks to depart from the norm of faculty copyright ownership. An alternative format—perhaps somewhat less desirable, because less likely to be fully known to and appreciated by individual faculty members—would be detailed and explicit institutional regulations dealing with a variety of pertinent issues, subject to the strictures noted above concerning copyright transfers. Such regulations should, of course, give great weight to the views of the faculty, and may be reflected either in widely available institutional policy documents or in collective bargaining agreements.

Whoever owns the copyright, the institution may reasonably require reimbursement for any unusual financial or technical support. That reimbursement might take the form of future royalties or a nonexclusive, royalty-free license to use the work for internal educational and administrative purposes. Conversely, when the institution holds all or part of the copyright, the faculty member should, at a minimum, retain the right to take credit for creative contributions, to reproduce the work for his or her instructional purposes, and to incorporate the work in future scholarly works authored by that faculty member. In the context of distance-education courseware, the faculty member should also be given rights in connection with its future uses, not only through compensation but also through the right of "first refusal" in making new versions, or at least the right to be consulted in good faith on reuse and revisions.

## Statement on Intellectual Property

The statement that follows, prepared by a subcommittee of the Association's Committee A on Academic Freedom and Tenure, was approved by Committee A and adopted by the Association's Council in November 2013.

The management of inventions, patents, and other forms of intellectual property in a university setting warrants special guidance because it bears on so many aspects of the university's core missions, values, and functions, including academic freedom, scholarship, research, shared governance, and the transmission and use of academic knowledge by the broader society. Intellectual property refers broadly to patents, copyrights, trademarks, and (according to some definitions) trade secrets, in addition to the underlying subject matter that is controlled by the owner of these property rights established by statute (namely, inventions, works of authorship, and identifiers that distinguish goods and services in the marketplace). Patents provide the owner with the right to exclude others from practicing—making, using, and selling—an invention.<sup>1</sup> A patent, unlike a copyright, goes beyond the protection of written expression to accord an exclusive right to the operational principles that underlie the invention. Copyright prohibits unauthorized copying or modification of particular instances of expression; a patent permits the exclusion of work created independently, is not limited to the precise “expression,” and has no “fair use” exception, even for nonprofit purposes. Thus, patents may have an additional and potentially substantial impact on university research, may affect the value and role of scholarly publication, and may influence collaborations and the transfer of technology developed or improved in other research settings. The management of university-generated intellectual property is complex and carries significant consequences for those involved in direct negotiations (faculty inventors, companies, university administrators, attorneys, and invention-management agents) as well as those who may be affected (competing companies, the public, patients, and the wider research community).

Whether ownership of a particular invention resides with the inventors or is assigned by the inventors to a university technology-transfer office, a university-affiliated foundation, or an independent invention-management agency, it is

essential that all those involved recognize the distinctive role that inventions arising out of scholarly research should have. Faculty investigators and inventors, together with university administrators, must communicate this role and hold those involved accountable when they are engaged in the development and deployment of patent rights.

One fundamental principle should be clear: inventions are owned initially by their inventors. That principle is established in both the US Constitution and federal patent law. As the US Supreme Court affirmed in its 2011 decision in *Board of Trustees of Leland Stanford Junior University v. Roche Molecular Systems, Inc (Stanford v. Roche)*,<sup>2</sup> faculty inventors in a university setting are also the initial owners of their inventions. Ownership of patent rights that may attach to an invention, however, may be transferred to another party by a written instrument. Thus, control of patent rights may be distinguished from ownership, since the initial patent owner may choose to enter a contract with (or transfer title to) another entity that manages those patent rights on his or her behalf. A university may become the owner of patent rights in a faculty invention by voluntary assignment, as was the case at most universities prior to 1980.

Some universities have sought to make their ownership of all faculty patent rights a condition of employment, citing the use of university facilities as a justification for asserting their ownership. Some also insist that externally funded research contracts specify that the university will manage all the resulting intellectual property. Though these strategies are increasingly preferred by many universities, there is little to indicate that such ownership claims advance university interests, whether taken narrowly as the pursuit of income from patent licenses or broadly in terms of the social value of research and access to its results. The 2011 *Stanford v. Roche* ruling affirmed that such rationales for the nonvoluntary confiscation of faculty intellectual property are often unfounded.

For many years university policies recognized that faculty members owned their intellectual property but required that they share profits with the institution when patentable intellectual property was commercialized. The AAUP regards such policies as fair and reasonable, so long as the faculty inventor or creator determines whether and how the work is to be marketed. Faculty members should have the right to distribute some work—software being a common example—for free if they choose.

Universities have often distinguished between copyrightable and patentable intellectual property, ceding faculty ownership of the former and asserting institutional ownership of the latter. But both are products of scholarship and protected by academic freedom, which provides for control by faculty authors over dissemination of their works.

A fundamental problem that arises from university ownership of patent rights to faculty inventions is that it tends to create institutional conflicts of interest between the university's governance role and its financial and competitive interests in exploiting patented inventions for its own benefit. It is all too easy for universities to conflate royalty income with their public service mission to enhance economic growth while failing to perceive, or to acknowledge, the conflict that arises with respect to other institutional responsibilities and the university's long-standing commitment to the broad dissemination of knowledge.

Inventions—despite distinctions often drawn in university policy statements—are a natural outgrowth of scholarly activities. The scholarly nature of university-based inventions does not simply disappear with the addition of a potential patent or other intellectual property rights. Thus, the fundamental rights of faculty members to direct and control their own research do not terminate when they make an invention or other research discovery; these rights properly extend to decisions involving invention management, intellectual property licensing, commercialization, dissemination, and public use. Faculty inventor "assignment" of an invention to a management agent, including the university that hosted the underlying research, should be voluntary and negotiated, rather than mandatory, unless federal statutes or previous sponsored-research agreements dictate otherwise.<sup>3</sup> Faculty inventors and investigators retain a vital interest in the disposition of their research inventions and discoveries and should, therefore, retain rights to negotiate the terms of their disposition. The university, or its management agents, should not undertake intellectual property development or

take legal actions that directly or indirectly affect a faculty member's research, inventions, instruction, or public service without the faculty member's or inventor's express consent. Of course, faculty members, like other campus researchers, may voluntarily undertake specific projects, including online courses, under explicit and signed work-for-hire contracts. When such work-for-hire agreements are truly voluntary, their contracted terms may legitimately narrow faculty intellectual property rights.

Faculty members have a collective interest in how university inventions derived from academic research are managed. Through shared governance, they also have a responsibility to participate in the design of university protocols that set the norms, standards, and expectations under which faculty discoveries and inventions will be distributed, licensed, and commercialized. The faculty senate, or an equivalent governing body, should play a primary role in defining the policies and public-interest commitments that will guide university-wide management of inventions and other knowledge assets stemming from campus-based research. These management protocols should devote special attention to the academic and public-interest obligations traditionally central to the university mission. Governing bodies should also consider the formation of a specially assigned faculty committee to review the university's invention-management practices regularly, represent the interests of faculty investigators and inventors to the campus as a whole, and make recommendations for reform when necessary.

Standards should be set for the handling of faculty intellectual property rights in the design and subsequent use of instructional materials, including online courses. Course syllabi at many institutions are considered public documents; indeed, they may be posted on universally accessible websites. It is thus to be expected that teachers everywhere will learn from one another's syllabi and that syllabi will be disseminated as part of the free exchange of academic knowledge. Faculty lectures or original audiovisual materials, however, unless specifically and voluntarily created as works made for hire, constitute faculty intellectual property. As components of faculty-designed online courses, they cannot be revised, edited, supplemented, or incorporated into courses taught by others without the consent of the original creator. Nor can an online course as a whole be assigned to another instructor without the consent of the faculty member who created the course, unless, once again, the faculty member agreed to treat the course as a work made for hire

with such ownership rights residing in the institution. Faculty governing bodies have a special—and increasing—responsibility to ensure that faculty members are not pressured to sign work-for-hire agreements against their will.

Just as the right to control research and instruction is integral to academic freedom, so too are the rights of faculty members to control the disposition of their research inventions. Inventions made in the context of university work are the results of scholarship. University policies should direct all invention-management agents to represent and protect the expressed interests of faculty inventors along with the interests of the institution and the broader public. Where the interests diverge irreconcilably, the faculty senate, or an equivalent governing body, should adjudicate the dispute with the aim of selecting a course of action that promotes the greatest benefit for the research in question, the broader academic

community, and the public good. Students and academic professionals should also have access to grievance procedures if they believe their inventor rights or other intellectual property rights have been violated. Students should never be urged or required to surrender their intellectual property rights (for example, in their dissertations) in advance to the university as a condition of participating in a degree program.

#### Notes

1. "Practicing an invention" first of all means taking the concept and giving it material embodiment, a key step in its manufacture.
2. 131 S.Ct. 2188 (2011).
3. The term *invention-management agent*, as used in this statement, covers all persons tasked with handling university-generated inventions and related intellectual property, including, for example, university technology-transfer offices, affiliated research foundations, contract invention-management agents, and legal consultants.

## FAQs

1. **If a faculty or staff member develops elaborate materials for teaching his course including electronic materials that require the university to supply substantial resources in order to produce the course (e.g. technology or multimedia support, special equipment or supplies), who owns the copyright on the classroom materials?**

When substantial university resources and supplies are allocated for course development, the university can claim ownership of the copyright. By planning ahead and developing a written agreement in advance of commencing work, an author may negotiate the terms of copyright ownership. This process starts between the author and the department head of the sponsoring unit. Agreement should be reached on who will own the copyright, which units or persons will receive income from offering the course, and how the course will be updated and revised.

2. **If a faculty member develops materials for teaching online for the University and receives assistance from the University in the form of instructional designers, computer technologists preparing learning objects, and significant help in preparing the course - who owns the copyright for the course?**

NKU owns the copyright if the materials are created with the use of substantial University resources which are specifically provided to support the production of copyrightable materials. However, the course authors can develop written agreements stipulating terms for copyright ownership, division of any net income from the course, use of materials, and plans for revisions.

In most cases, it's helpful for the faculty or staff members to create a written agreement spelling out their rights in advance of developing course materials if they will be utilizing significant university resources in designing and building course materials. These agreements allow the faculty or staff member to use the materials for educational purposes while at the same time protecting the University's investment and ability to continue to offer the course in the future.

3. **If a faculty or staff member designs a course or educational materials and is paid a stipend for developing the course or materials - who owns the copyright?**

If a faculty member is paid a stipend by the University for developing a course then NKU owns the copyright.

4. **Should I advertise the copyright on my original works?**

If a Creator holds the copyright to a work, it would be advisable to put the copyright notice on the work, which includes the copyright symbol, name of author, and year it was written, i.e., "© Pat Doe 2010". Though this is not necessary to secure copyright protection, it may deter others from copying it.

Registration of the copyright with the U.S. Copyright Office is a prerequisite to bringing suit for copyright infringement. If there is any concern that the work may be infringed, a

faculty member may want to register the copyright using the U.S. Copyright Office's online registration process <http://www.copyright.gov/eco/>.

**5. What happens if substantial University resources are used to develop a course and there is no written agreement?**

If substantial University resources are used to develop instructional materials and there is no written agreement, the University may claim ownership.

**6. What is an invention disclosure?**

The Invention Disclosure is a confidential document that fully documents your invention so that all options for commercialization may be evaluated and pursued. It is imperative that the entire document be completed and that the correct sponsor information be included on the disclosure. Failure to do so may severely hamper patenting and commercialization of the invention.

Written notice of the invention is forwarded to GERO and begins the formal process. Disclosure is made by completing the Intellectual Property Disclosure Form (available on the GERO webpage), and by including any supporting documentation with that form. The invention disclosure can be submitted electronically to the Office of Graduate Education, Research and Outreach in 405 UC.

**7. What is the Bayh Dole Act and how does this govern my invention disclosure?**

The U.S. Bayh-Dole Act of 1980 allows universities and other non-profit institutions to have ownership rights to discoveries resulting from federally funded research, provided certain obligations are met. These obligations include making efforts to protect (when appropriate) and commercialize the discoveries, providing attribution to the appropriate federal funding agency in all filed patent applications, submitting progress reports to the funding agency, giving preference to small businesses that demonstrate sufficient capability, and sharing any resulting revenues with the inventors. The Bayh-Dole Act is credited with stimulating interest in technology transfer activities and generating increasing research, technology commercialization, educational opportunities and economic development.

It is important to know that NKU is required to report all invention disclosures that were made using federal funds within 60 days of receipt of the disclosure. This notification is made to the sponsoring agency, and it is critical that information provided on the invention disclosure be accurate and thorough. This information is essential not only in the initial reporting requirements but will be rolled forward and reflected upon all patenting documents and activities. Failure to comply with these requirements may result in the government exercising its rights to march in (take control of the intellectual property); therefore, diligence and accuracy in reporting sponsorship should not be taken lightly.

The government sponsorship declaration that is required to appear on all patents is:



"This Invention was made with government support under (grant/contract) awarded by (Agency). The government has certain rights in this invention ".

**8. When do I need to submit an Intellectual Property disclosure?**

An intellectual property disclosure should be submitted before publicly presenting or publishing the details of an invention or putting the invention into use. Therefore, it is recommended that inventors disclose early so that proper action may be taken to protect the invention and its commercial value. It is best if inventors submit a disclosure between eight and 12 weeks before publication so that, if necessary, actions can be taken to protect both U.S. and foreign rights. Once publicly disclosed, an invention may not be patentable outside the United States, and disclosure may reduce, or even negate the commercial value of an invention. To be safe, inform GERO of any imminent or prior presentations that include the IP.

**9. What is the information in the Intellectual Property Disclosure used for? Does the submission of an intellectual property disclosure lead to a patent application?**

The intellectual property disclosure form is an internal NKU form used to provide a written record of your intellectual property. The information described herein will enable GERO to establish a record of the date of conception of the intellectual property for legal purposes. The information will be used to evaluate the technology for its commercialization potential, legally protect the intellectual property and to identify potential licensees and to comply with sponsor reporting requirement. Submission of an Intellectual Property Disclosure does not insure that a patent application will be filed. NKU reserves the right in its sole discretion to determine those inventions upon which it will seek patent protection. The NKURF Board will review all disclosures periodically and determine whether to protect the invention or not.

**10. How detailed should the description of the invention be?**

As detailed as possible. Without adequate information, NKURF cannot perform a complete evaluation of the intellectual property's licensing potential, nor can we obtain an accurate legal opinion as to whether it is patentable.

**11. Why are the dates of conception and disclosure important?**

On March 16, 2013 the U.S. patent system switched to a "first-inventor-to-file." The dates of disclosure are important because in the U.S. an inventor has one year from the date of public disclosure in which to file a patent application. Once a year from the time of disclosure has passed, the invention cannot be patented. Also, note that most foreign countries have an "absolute novelty" requirement. This means that in most foreign jurisdictions, patent rights are lost once an invention has been publicly disclosed. The university does not often file for foreign patents due to their prohibitively high costs; however, we strongly encourage inventors to submit any intellectual property disclosure to GERO well before public disclosure so that we may keep this option open for a potential licensee.

**12. What is considered a public disclosure of an invention?**

Almost any disclosure without an obligation of secrecy may constitute a public disclosure. Public disclosure may include, but is not limited to, journal papers, conference abstracts/presentations, publications or descriptions online, and dissertations indexed at the library, that describe the basic ideas of the invention in enough detail that someone else would be able to make and use the invention. Talking about these ideas may also constitute disclosure, as does selling or offering for sale a prototype of the invention. In the U.S., the "public disclosure" must be in writing. However, do note that slides at meetings and poster sessions are considered "publications"--as is private correspondence, advertisements, etc.

If you want to discuss your invention with others outside of NKU you should have the person (or company) sign a nondisclosure agreement, agreeing to keep your invention in confidence, before you have the discussion. These agreements are available from the Office of Graduate Education, Research and Outreach.

**13. Can I still publish my findings?**

Yes, findings can still be published and disclosure to the GERO office does not alter your publication timetable. However, since publishing can affect the ability to obtain a patent, especially foreign ones, it is best to submit a disclosure prior to publishing or communicating your findings in a public forum.

**14. If the intellectual property is disclosed either through a publication or an oral presentation before GERO files a patent application, are the patent rights lost?**

Not the U.S. rights but definitely foreign rights. In the U.S. we have one year from the date of first publication (or public disclosure) in which to file for a patent.

**15. Why is the relevant support information (contract/grant) important?**

Under federal law, the University is required to report to the U.S. Government, inventions created under sponsored research with the U.S. Government. Non-Government sponsors may also have intellectual property clauses and obligations attached to such sponsorship with which OTC must comply.

**16. What happens if the creation of a work predates the adoption of the new IP policy, and there are no written agreements concerning the ownership rights for it?**

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 NKU in writing at the time of appointment or enrollment.

**17. When can I expect to a phone call/meeting after I submit an intellectual property disclosure?**

You will be contacted within a week by the OTT after you have submitted a disclosure. A telephone conversation or a meeting to discuss the details of the invention will be scheduled at that time.

**18. What is the process for assessing an invention disclosure?**

The NKURF board will conduct an initial screening of the intellectual property disclosure, conduct patent searches (as applicable) and analyze the market to determine the competitiveness of the disclosed technology and its commercialization potential. The NKURF Board may contact the inventors during this process to discuss details of the invention and potential IP strategies. Once a patenting decision has been reached, the VPGERO will communicate the decision to the inventors. The evaluation can take between 4-6 weeks to perform.

**19. How do I know if my discovery is patentable?**

In order to be considered patentable an invention must meet several requirements. These requirements are that the invention be:

- a) New (also known as the Novelty requirement): The invention must not be duplicative of "prior art" (inventions). Prior art may be an offer for sale, the use of the invention, or a publication or patent. A prior art search is done to determine whether there are issued patents, published articles or other published information capturing major features of the invention in question.
- b) Useful: The subject matter of the invention must have a useful purpose and be operative. An invention that is inoperative is not considered to be a useful invention. The utility of the invention must be disclosed in the patent application.
- c) Non-obvious: An invention must not be obvious to a person having ordinary skill in the art to which the invention pertains.

**20. What is prior art?**

According to the United States Patent and Trademark Office prior art includes, but is not limited to, previously patented inventions in the U.S. For example, a prior art search may also reveal other publicly disclosed inventions that are now in the public domain. A prior art search should be conducted to determine if your invention has been publicly disclosed, in any form, and thus is not patentable.

**21. What's my role in the screening process?**

Inventors typically meet with the NKURF board to discuss the invention and clarify aspects of the disclosure. Once a decision is made, the inventor will be contacted to discuss the outcome.

**22. What's my role in patenting?**

Inventors and GERO staff speak with the patent attorney during the patenting process. Also, inventors will need to review drafts of documents, sign assignments and other legal documentation. GERO staff will guide the inventors during the process.

**23. What's my role in marketing?**

Inventors are welcome to work closely with GERO staff to market their invention. There are many aspects of marketing that inventors may choose to be involved with, ranging from helping to transfer knowledge to recommending contacts that might be interested in licensing the inventor's technology. GERO staff also invite inventor feedback on licensing terms and work closely with inventors when crafting pre-licensing agreements such as material transfer and evaluation agreements.

**24. What's my role in licensing?**

Licensing is a primary function of the GERO office, in collaboration with the NKURF board; inventors will be informed of progress in licensing. Inventors often are closely connected to others in their field and may be consulted on the business terms of the license.

Further, the inventor's expertise is often critically important to transfer the technology and related know-how to the licensee. The University license places only nominal obligations on the part of the inventor to assist in the transfer of the licensed technology. When more than minimal time and effort is necessary, the licensee will negotiate a separate consulting arrangement with the inventor.

**25. What if an industry partner funded my research and invention?**

The Office of Research, Grants and Contracts will review the terms of the contract, send a copy of the disclosure to the company, determine the company's interest, and take action based on the company's decision.

**26. What effect does a license have on my ability to do research?**

You can still continue research using a licensed invention, even if it is exclusively licensed. The University retains the right to use a licensed invention in its academic research and teaching.

**27. How is inventorship determined?**

U.S. Patent law defines an inventor as an individual who contributes to at least one patent claim. If inventors are intentionally named to a patent erroneously or are omitted, the patent can be invalidated. Only those persons who made an inventive contribution to the claimed invention may be listed as inventors.

It is important to understand that during prosecution of the patent by the patent office, the claims may need to be revised by patent counsel. Therefore, the original inventors listed on the invention disclosure may change, depending upon which claims are allowed and who actually contributed to those allowed claims. The final indication of inventorship is determined when the patent issues. Since only those claims allowed will be reflected in the patent, only those individuals who counsel has determined contributed to the claims allowed by the patent office will be considered inventors.

Inventorship is not the same as authorship. An inventor, as stated above, is someone who contributes to the conception of the invention. For example, if someone merely demonstrated that the invention actually works or carries out tests that reduced the invention to practice, without making an inventive contribution to the conception of the discovery, then he or she is not an inventor. However, this individual may be included as an author on a research paper resulting from the work, along with all the other people who may have contributed in a similar manner to the work.

**28. What is the timeline for: the patent process, the marketing, process, the licensing process, and the commercialization process?**

The patent process will commence after the NKURF Board has reviewed the invention disclosure and conducted the necessary research that would recommend patent protection. It is important to understand that the timeline for patent prosecution at the United States Patent and Trademark Office can vary considerably, from a few months to many years, depending on the complexity of the patent, the field of invention, and the number of amendments or responses that must be filed or considered. The inventor will be a valuable resource in the patent protection process and can expect to be contacted by GERO staff and patent counsel to discuss details of the prosecution strategy.

The commercialization process, as expected, can also vary and is dependent upon many factors, including the stage of the invention development, the ability to find a suitable licensee, and market readiness or commercial potential of the invention. In some circumstances an invention that may be strong technically and market ready, will attract no potential licensees if they have settled upon another standard or technology.

Once an invention is licensed, it may take several years to see the first commercial product. This is largely dependent up on the field of the invention, with those made in life sciences having the longest timeline (5-10 years). Other fields have a shorter time to market. GERO staff will keep you informed of commercialization progress made by licensees of your invention.

**29. What is the royalty sharing policy?**

According to NKU Policy royalty is distributed as follows:

- 50% of the total net proceeds (total income less expenses directly related to obtaining rights and royalties from such property) shall be paid or assigned to the inventor as income
- 15 percent to GERO for supporting scholarly activities on campus
- 12.5 percent to the Creator's university department
- 12.5 percent to the Creator's university college
- 10 percent to NKURF

Under certain circumstances the above terms of income distribution may be replaced by other terms mutually agreed upon by the inventor(s), the organizational unit, the University, and the external sponsor or a potential business partner. However, any modification in the terms described above must be approved by the Vice Provost for Research and Graduate Studies.

**30. What is the importance of % contribution of individual contributors and how does it relate to royalty income?**

The % contribution determines the % of revenue share of royalty revenues. The revenues generated from the commercialization of the invention will be distributed to the contributors based on % contribution. If the blanks are not filled in the contributors'

share of Net Royalty income, if any, will be divided equally among all NKU contributors to the invention.

**31. How does the university benefit from technology transfer? How do the inventors benefit?**

The University and the inventor both benefit from technology transfer in similar ways. Engaging in technology transfer allows inventions made at the university to be moved to the market for the public benefit. This activity contributes to economic development and improves the quality of life by making available new technologies that address a need. Engaging in technology transfer encourages collaboration within the university, between academic institutions, with sponsoring agencies and with industry creating a community of innovation. Engaging in technology transfer also rewards the inventors and the university monetarily, recognizing their contributions. Income realized from technology commercialization are utilized to encourage further research and innovation.

## APPENDIX F

### INTELLECTUAL PROPERTY POLICY

(Revised Version – 10/26/2009)

#### **I. Preamble**

Northern Kentucky University, hereinafter referred to as the “University,” is dedicated to teaching, research, and the sharing of knowledge with the public. The University recognizes as two of its major objectives the production of new knowledge and the dissemination of old and new knowledge. Inherent in these objectives is the need to encourage the production of creative and scholarly works and the development of new and useful materials, devices, processes, and other inventions, some of which may have potential for commercialization. Such activities contribute to the professional development of the individuals involved, enhance the reputation of the University, provide additional educational opportunities for participating students, and promote the general welfare of the public at large. Such creative and scholarly works and inventions that have commercial potential may be protected under the laws of various countries that establish rights regarding “Intellectual Property,” a term that includes patents, copyrights, trade secrets, trademarks, plant variety protection, and other rights. Such Intellectual Property often comes about because of activities of University faculty, administrators, staff and students who have been aided through use of University resources, including facilities, equipment, funds, etc. The University as well as the authors, creators, or inventors, hereinafter referred to as the “Originators,” have rights that must be protected in order that future creativity may be encouraged and stimulated. It is therefore important to establish clear policies regarding the ownership, commercialization, and financial rewards resulting from the creation of such Intellectual Property. In order to establish the respective rights and obligations of the University and Originators regarding Intellectual Property, the University has established the following Intellectual Property Policy.

#### **II. Objectives of the Policy**

- A. To clarify the University’s values with regard to intellectual property.
- B. To encourage the creation and transfer of knowledge.
- C. To clarify rights and responsibilities of all parties involved in the development of intellectual property.
- D. To provide for a system to assist Originators and the University in bringing new discoveries into public use.
- E. To define the legal rights of all parties and to provide for the disposition of these interests.
- F. To safeguard intellectual property against unauthorized use.

#### **III. Definitions**

- A. “**Copyrightable Works**” shall include but is not limited to any copyrightable material as defined by federal law. For purposes of this Policy, Copyrightable Works is divided into

two categories: (1) Traditional Copyrightable Works, and (2) Encoded Copyrightable Works. However, some materials created at the University are both copyrightable and patentable (*e.g.*, a Encoded Copyrightable Work may embody a patentable invention).

- B. “Traditional Copyrightable Works”** shall include but is not limited to printed materials such as books, manuscripts, journal articles and reviews; works of art such as paintings, sculptures, musical or dramatic compositions, choreographic works, pictorial or graphic works, movies, and television programs; course materials such as lecture notes, exams, class syllabi, workbooks, laboratory manuals; and any other materials that have historically been the property of the Originator.
- C. “Encoded Copyrightable Works”** shall include but is not limited to computer software, databases, circuit diagrams, engineering drawings and other technologies used to support the electronic capture, storage, retrieval, transformation and presentation of digital data and information or to interface between digital forms and other communications and information media. The University will exercise its equitable ownership interest in Encoded Copyrightable Works under the circumstances identified below.
- D. “Invention”** shall include but is not limited to any discovery, process, composition of matter, article of manufacture, know-how, design, model, technological development, biological material, strain, variety, culture of any organism, or portion, modification, translation, or extension of these items, which is or may be patentable or which may be commercially licensable, and any mark used in connection with these items.
- E. “Intellectual Property”** refers to all Copyrightable Works and Inventions.
- F. “Originator”** shall include faculty (including part-time, visiting and lecturer appointments), visiting researchers, staff, administrators, students, volunteers, any groups or combinations thereof, and any others using funds, facilities or resources of the University as the authors, creators, or inventors of Intellectual Property. If a group of individuals with assistance from the University originate Intellectual property, they will be treated as an individual with respect to this policy. Therefore, they are responsible to decide issues that relate to their shared ownership.
- G. “Substantial Use of University Resources”** refers to the use of University funds (including grants, contracts or awards made to the University or its designee by extramural sponsors), laboratory, office space, studio, audiovisual, video television, broadcast, personal computers, servers, licensed software, computer networks, or other facilities, equipment, resources and faculty, staff or students which (1) fall outside of the scope of the Originator’s normal job responsibilities or the student’s academic program, or (2) entails the Originator’s use of such resources that are not ordinarily available to all or virtually all faculty, administrators, staff or students with comparable status in the same division, college, department or academic program. The term does not include the use of personal office space, local telephone, library resources and personal computer equipment incidental to outside activities that are permitted under the University’s



Ethical Principles and Code of Conduct (Administrative Regulation AR-I-1.0-1) and the Faculty Handbook.

- H. “University Assigned Works” or “Works for Hire”** refer to those works within the scope of the Originator’s University employment or, in the case of faculty, specifically assigned to the Originator by the University. This includes projects that have been assigned for the purpose of use by a larger University audience – *e.g.* a syllabus template, course materials for use in a multiple section course, distance learning or online course materials or videos for which the creator is compensated for developing, promotional materials for a department or other unit of the University. The conditions of such an assignment are negotiable between the Originator and the University and must be documented prior to commencing the assignment. Documentation will address compensation, ownership of the Intellectual Property, reproduction and usage rights, and be signed by the Originator and the University's authorized designee.

#### **IV. Ownership Rights in Intellectual Property**

All Intellectual Property produced by an Originator is presumed to be owned by the University or its designee unless it falls within one of the exceptions defined herein. In general, the University will assign all of its ownership rights in Intellectual Property to the Northern Kentucky University Research Foundation, Inc. (NKURF). NKURF shall manage the Intellectual Property on behalf of the University according to the policies laid out in this document.

**A. Copyrightable Works:**

This policy recognizes the longstanding custom and understanding that faculty members own copyright to their scholarly and creative work. In general, this understanding extends to administrators, staff and students with regards to their professional work or studies. Therefore, copyright ownership of all work created by faculty, administrators, staff, students or others shall vest in the Originator except under the following circumstances:

**For both Traditional and Encoded Copyrightable Works:**

1. *Subordination to Other Agreements:* Copyright ownership of all material that is developed in the course of or pursuant to a sponsored research or other agreement to which the University or its designee is a party shall be determined in accordance with the terms of the sponsored research or other agreement. In the absence of terms specifically assigning ownership, the copyright shall become the property of the University only if the terms of such agreement directly or indirectly create University obligations as to Intellectual Property developed thereunder or if ownership is conferred upon the University by operations of another provision of this Policy.
2. *University Assigned Work or “Works for Hire”:* The copyright of material that is created by administrators, staff or students within the scope of University employment or by faculty pursuant to a specific direction or agreed assigned duty

(other than the traditional obligation of teaching courses) from the University or any of its units shall be the property of the University.

**For Encoded Copyrightable Works Only:**

1. *Substantial Use of University Resources:* Copyright ownership of all Encoded Copyrightable Works which are developed with the Substantial Use of University Resources shall reside in the University.

**B. Inventions:**

All Inventions made by an Originator with a University appointment and resulting from activities carried out in furtherance of his or her University responsibilities, and/or with the Substantial Use of University Resources, including those provided through an externally funded grant, contracts, or other type of award or gift to the University, shall be owned by the University or its designee.

**C. Student Ownership Issues:**

Intellectual Property created by students are additionally subject to the following rules:

1. The University makes no claim to copyright or patent ownership of works created by students working on their own, *i.e.* not within the scope of an employment relationship with the University or in conjunction with one of its employees, and not making Substantial Use of University Resources.
2. Students working on a project governed by a contract or agreement to which the University is a party shall be bound by the terms of that contract or agreement.
3. Students who are hired to perform specific tasks that contribute to Intellectual Property will ordinarily not have rights to ownership of that work, regardless of the source of funds from which they are paid or the portion of work performed or contributed by the student.
4. Students working collaboratively (*i.e.* unpaid or unfunded work) with other Originators on projects that result in Intellectual Property *may* be granted the same rights and obligations as any other Originator working collaboratively on the project. Students and other Originators should establish these rights in writing *at the outset of their collaboration*. Unless otherwise informed by the parties, the University will presume that any Student working collaboratively on a project with other Originators has no rights and obligations with regard to the Intellectual Property.
5. If none of the above relationships apply, students performing work compensated by the University are subject to the same provisions governing any other Originator of Intellectual Property.
6. Where Intellectual Property arising out of the student's own original work and participation in programs of study at the University is retained by the student,

including copyright in theses or dissertations, the student shall grant to the University or its designee a royalty-free perpetual non-exclusive license and consent to reproduce, use and publicly distribute the Intellectual Property for the following limited purposes of the University: (1) institutional promotion and marketing, (2) education and instructional use, and (3) entries into appropriate competitions. In each instance, the University shall clearly recognize or acknowledge the student for his/her creative or scholarly work.

**D. Waivers**

The rights and responsibilities set forth herein constitutes an understanding which is binding on the University faculty, administrators, staff and students as a condition of their participation in University research, teaching, educational programs and service programs, and for their use of University funds, space, or facilities. Provisions of this policy may be waived only in extraordinary and compelling circumstances by the provost or the president.

**V. Procedures and Responsibilities**

**A. Disclosure**

Whenever an Originator creates Intellectual Property which is, or may be, owned by the University as set forth in this policy, s/he must disclose as soon as practicable, but not more than thirty (30) calendar days after the work is completed, the Intellectual Property to the University or its designee by completing the “Intellectual Property Disclosure Form” available in the Office for Research, Grants and Contracts, and submitting it to:

**Northern Kentucky University  
Research Foundation, Inc.  
Attn: Executive Director  
Nunn Drive, AC 616  
Highland Heights, KY 41099**

Originator’s duty to disclose the creation of Intellectual Property shall be completed before disclosing the work to any other third party internal or external to the University.

Faculty or staff members who engaged in consulting work or in private business activities outside of their regular University employment are responsible for ensuring that such services or activities do not conflict with this Policy nor with the University’s commitments; and that the University’s rights and the individual’s obligations to the University are in no way abrogated or limited by the terms of such agreements. Faculty and staff members shall make it clear to those with whom they make such agreements their obligations to the University and shall ensure that other parties to the agreement are provided with a current copy of this Policy.

## **B. Commercialization of Intellectual Property**

The primary functions of the University are education, research and public service. It is in the context of public service that the University supports efforts directed toward bringing the fruits of University research and creative works to public use and benefit. In many cases, mere publication of the work will be sufficient to transfer University research and artistic works to the public. In other cases, it is necessary to encourage industry, through protection of the Intellectual Property and the granting of certain licensing rights, to invest its resources to develop products and processes for use by the public. To this end, the University and Originators agree to be responsible for the following:

### **1. Responsibilities of the University**

The Northern Kentucky University Research Foundation (NKURF) will be responsible for determining the feasibility of commercializing Intellectual Property. If the property is deemed to have commercial value, the NKURF will have the legal and financial responsibility to carry the commercialization forward. All costs, including protecting and promoting copyright or patent applications, will be paid by the University or the NKURF and be filed in its name. The University or its designee will be solely responsible for making decisions regarding the marketing and/or licensing of all Intellectual Property. In general, all licenses will include a nonrefundable license fee, patent or copyright expense reimbursement, royalty and minimum royalty payments, and a requirement of diligence and march-in rights where the licensee does not perform adequately.

In cases where the University has an ownership interest in Intellectual Property and NKURF or other designee has not provided the Originator a report detailing its ownership right and the current state of commercialization, including any steps taken in patenting, marketing or licensing the Intellectual Property, within one (1) year of receipt of a completed disclosure form, the Originator of the Intellectual Property may request in writing that all University rights in such Intellectual Property be reassigned to the Originator. To the extent the Intellectual Property is not subject to any sponsored project rights or restrictions, and provided that all other co-Originators, if any, of the subject Intellectual Property consent to the request, the University or its designee shall reasonably consider such a request. Any reassignment of the rights by the University to the Originator shall be limited only to the substance disclosed in the original disclosure form officially on record with NKURF and further subject to the University reserving the rights to use the subject Intellectual Property for research and other educational purposes.

### **2. Responsibilities of the Originator**

In addition to the disclosure responsibilities set forth in Section A above, Originator will cooperate with the University or its designee in its effort to evaluate and protect the commercial value of any University Intellectual Property. This would include but not be

limited to notifying the appropriate office of any third party interest in the property and assisting in the preparation of any legal documents required to protect the Intellectual Property. The Originator will also work collaboratively with NKURF to determine the best course of action regarding the commercialization and marketing of the Intellectual Property.

### 3. Royalties

Except in the case of Works for Hire, royalty income received by the University through the sale, licensing, leasing or use of Intellectual Property, which the University owns pursuant to any section of this Policy, will first be used to reimburse documented expenses in the following order:

- a. documented out-of-pocket costs paid by the Originator,
- b. costs as described in a contract of support. This would occur when University funds provided a grant, sabbatical, or other support for research that led to the Intellectual Property and where a contract specifying repayment accompanied the grant, sabbatical, or offer of support;
- c. direct costs paid by the University or its designee in conjunction with
  - i. processing of patent or copyright protection,
  - ii. marketing or licensing the Intellectual Property, and
  - iii. any other legal costs related to technology transfer and commercialization.

After expenditures are reimbursed, the royalties and other income will be disbursed as described in the table below:

#### Distribution of Royalties for Intellectual Property Owned by University

<u>Net License Revenue</u>	<u>Originator</u> <sup>1</sup>	<u>College</u> <sup>2</sup>	<u>NKURF</u>	<u>General Fund</u>
≤ \$5,000	100%			
\$5,001 < \$50,000	60%	20%	20%	
\$50,001 < \$100,000	50%	20%	20%	10%
≥ \$100,000	25%	15%	15%	45%

In general, these royalties are awarded to the Originator in recognition of his or her significant intellectual contribution to the University. Royalty payments to the

<sup>1</sup> The Originator's rights to share in net income as stated above shall remain with the individual or pass to the individual's heirs and assigns for so long as revenue is derived from the property. In cases where the Originator is a

<sup>2</sup> If the Originator does not report to a college dean, then the administrative unit most comparable to the college will receive this share of the royalties.

Originator's college are given to promote additional research and creative works within the college. NKURF's portion of the royalties will be used as operating funds in support of its general mission, ongoing management of Intellectual Property matters and to cover the costs of commercialization. Royalties deposited in the University's General Fund are to compensate it for the use of public resources as well as to provide general support for other research and scholarly activities on campus.

**C. Appeals**

Disputes arising over the application of this policy shall be brought to the attention of the Provost, who shall refer the matter to the Intellectual Property Committee. This will be a five person, standing committee appointed by the President with two persons nominated by the Faculty Senate, and one each nominated by the Staff Congress, Student Government Association, and the provost. The committee will render a determination in writing within thirty (30) days of receiving the Originator's written appeal. A copy of the decision shall also be forwarded to the Office of Legal Affairs and General Counsel for review. The Committee's decision regarding disputes may be appealed in writing to the president and the Board of Regents, respectively, within thirty (30) days of the committee's decision. The decision of the Board of Regents will be final.

**VI. Advice and Interpretation**

Members of the University community may obtain advice from the Office of the Associate Provost for Research on the application of this Policy to their work or studies, and from the Office of Research, Grants and Contracts information about restrictions on Intellectual Property ownership related to grants or other sponsored agreements. Disclosure forms and other model agreements regarding this Policy can also be obtained from the Office of Research, Grants and Contracts.

**VII. Policy Modifications**

Recommendations regarding changes to this policy should be sent to the chairperson of the Intellectual Property Committee for appropriate action.

# How Does Technology Commercialization at NKU Work?

## Background

Enacted on December 12, 1980, the [Bayh-Dole Act](#) (P.L. 96-517, Patent and Trademark Act Amendments of 1980) created a uniform patent policy among the many federal agencies that fund research, enabling small businesses and non-profit organizations, including universities, to retain title to inventions made under federally-funded research programs.

Major provisions of the Act include:

- Non-profits, including universities, and small businesses may elect to retain title to innovations developed under federally-funded research programs
- Universities are encouraged to collaborate with commercial concerns to promote the utilization of inventions arising from federal funding
- Universities are expected to file patents on inventions they elect to own
- Universities are expected to give licensing preference to small businesses

Northern Kentucky University supports creativity, innovation, commercialization, and entrepreneurship as essential components of our institution. The purpose of the intellectual property policy of NKU is to provide the necessary incentives and protection to encourage the development of new knowledge and its application and transfer for public benefit. The policy was developed with the goals of: enhancing and protecting the educational, research and service missions of NKU; optimizing the incentives for research and scholarship at NKU; bringing scholarship into use for the benefit of society; and protecting the interests of NKU faculty, staff and students.

## What is intellectual property (IP)?

IP is the “tangible or intangible results of research, development, teaching, or other intellectual activity.” In other words, IP is any innovation or discovery conceived or developed by faculty, staff, or students using University resources, which is broadly defined as all use of employee or student time, equipment, supplies, or facilities and clinical practice. If you think you are working on a commercializable idea, the Northern Kentucky University Research Foundation (NKURF) Board would be happy to meet with you to discuss your idea and the commercialization potential.

## What is technology transfer?

In its broadest sense, technology transfer is the transfer of knowledge, ideas, discoveries and innovations to the public. There are many ways to accomplish this, including publication, student graduation and employment, participation in scientific meetings, and collaboration with industry and licensing innovations. For our purposes, technology transfer is the evaluation, protection, marketing and licensing of intellectual property to start-ups and existing companies.

## What do you do if you have an idea?

Creating an invention or a commercializable idea is a significant accomplishment. NKU wants to help you protect and enhance the value of that invention or idea to benefit both the inventor(s)

and Kentucky. If you have an idea for an invention that you would like to discuss with the NKURF to brainstorm next steps for development, patenting, commercialization or copyrighting, the first step is to complete the online Intellectual Property Research Disclosure Form at <https://.xxxxxxx>.

### **Step 1: Submit an Intellectual Property Research Disclosure Form Report**

If you have any questions about this process, contact the Office of Graduate Education, Research and Outreach

### **Step 2: The disclosure meeting**

The Intellectual Property Review Committee, the NKURF, composed of faculty, inventors, technology commercialization professionals and legal advisors, will meet with you for an informal, confidential discussion about the details and possible applications of your discovery or invention.

Important:

- Public disclosure immediately prevents you from obtaining most foreign patent rights and may impact your ability to obtain U.S. patent rights.
- Patents filed prior to public disclosure have a much stronger position.
- Commercialization of IP is a highly competitive enterprise. It is therefore critical that creators begin the disclosure process as soon as the possibility of an invention becomes evident. Delays give other an opportunity to establish claim, which may deprive a creator of his/her rightful recognition and compensation.

*What constitutes a public disclosure?*

Any non-confidential disclosure, which includes many routine academic activities:

- Published papers
- Presentations
- Open thesis defenses
- Seminars
- Campus talks
- Catalogued theses
- Conference abstracts
- Funded grant applications – unless redaction is requested upon submission
- Web posts
- Non-confidential collaborations
- Posters
- Performances and exhibitions

### **Step 3: The decision committee**

Each intellectual property disclosure is evaluated for its commercialization potential -- whether the intellectual property has the potential to fill a market need -- and identifying opportunities and challenges. The commercialization potential is based on the strength of



the IP, the IP's stage of development and the estimated time and resources needed to market it. The university's Intellectual Property Review Committee determines if the university should invest in patenting or commercializing the technology. The board members recommend whether to file for IP protection or not. The final decision is made by the board's chair, the Vice Provost for Graduate Education, Research and Outreach.

The NKURF decision committee will assess your invention based on many factors, including:

- Patentability
- Market dynamics
- Licensing potential
- Public benefit

NKURF evaluates discoveries on an as needed basis and will notify you whether or not we decide to move forward with the process of patenting your intellectual property. We strive to make decisions quickly (within 30 days) so that patenting doesn't interfere with publication.

NKURF covers this cost for the patents we accept, as well as all other costs and legal fees. Patents typically cost between \$20,000 and \$40,000.

#### **Step 4: The equity review**

The Office of the Vice Provost for Graduate Education, Research and Outreach will perform an equity review to identify funding sources that may have contractual intellectual property obligations.

#### **Step 5: The memorandum agreement**

If your intellectual property is accepted, the Creator(s) and NKURF enter into a memorandum agreement that defines the relationship between you and NKURF. You agree to assign ownership of the intellectual property to NKURF and to work in partnership with NKURF during the patenting and/or licensing process. In return, NKURF agrees to share royalty income with you. It is important to have a close working relationship between the Creator and the GERO office. Creator's knowledge of their research, and of companies active in related technologies, are key elements of the technical and market assessment for an invention and of the search for licensees.

#### **Step 6: Patenting your invention**

A patent attorney will work with you to draft a patent application, if relevant. If the intellectual property is not considered for IP protection, the researcher may continue to work on it and file a new research disclosure in the future. The first step is usually a provisional patent application. Provisional applications are abandoned within one year of filing unless they are converted to a regular U.S. application. Two or three iterations are usually required to obtain allowance of the regular patent application. The process can take 2-4 years.

#### **Step 7: Marketing**

When appropriate, our office actively markets the intellectual property identified through the evaluation using your network, our contact network and market reports to identify potential licensees

### **Step 8: Licensing**

If an existing company expresses interest in finding out more about the invention, the Intellectual Property Review Committee starts the discussion. Once a potential licensee is identified, our office will negotiate a license agreement with mutually agreeable business terms. The license allows the companies to use the invention in exchange for a license fee and royalties to the university.

### **Step 9: Commercializing Your Invention**

After a license agreement is executed our office ensures that the company is in compliance with the commercialization obligations and with the payment terms to the university. Any license fee and/or royalty payments received for commercializing an invention will be shared:

- 50 percent to the Creator (with multiple NKU Creators, sharing depends on the agreed percentage listed in the invention disclosure)
- 15 percent to GERO for supporting scholarly activities on campus
- 12.5 percent to the Creator's university department
- 12.5 percent to the Creator's university college
- 10 percent to NKURF

Our office also supports the creation of a start-up company by the inventor and will assist in transferring the technology to the company through favorable license terms.

### **Other items:**

#### **Nondisclosure Agreements**

In order to protect unpublished results of your intellectual property while you are in the process of discussing a potential collaboration with an institute or a company, we make sure that such information is shared under a valid nondisclosure agreement (NDA). An NDA outlines the nature and conditions for sharing the information between the university and a third party. Information that is shared (orally, or in writing as a conference abstract or online or by email) without a valid NDA is considered public disclosure of information and is not considered confidential under an NDA. NKU researchers also have an obligation to protect a third party's confidential information as well, under a mutual NDA.

#### **Material Transfer Agreements (MTA)**

If research materials related to biological, chemical or engineering protocols are exchanged or transferred between researchers outside of NKU, an MTA should be executed. An MTA outlines the nature and conditions for sharing the research materials between NKU and a third party, which could be a company, a research institute or a university. Materials that are not unique to the university and are readily available from other commercial sources generally do not need an MTA.

The common issues with NDAs and MTAs and sponsored research agreements are restrictions on publications, free licenses, assignment of future inventions and creations under the agreement and general legal provisions. Our office works to protect your research results and your ability to publish by negotiating mutually amenable terms through these agreements with the third parties.