

SLIPPERY ROCK UNIVERSITY OF PENNSYLVANIA
Technology Transfer & Commercialization Guide
for PASSHE Faculty and other Employees

Effective Date: November 2008

Slippery Rock University of Pennsylvania

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I. Introduction

Universities are major sources of fundamental knowledge underlying the new products and processes essential to economic competitiveness. In this context, facilitating the process whereby university creative and scholarly works may be put to public use and/or commercial application (i.e., "technology transfer") is an important aspect of the service mission of a public university. In turn, the protection of concepts with commercial potential (inventions or creations) via patents and copyrights is an essential aspect of the technology transfer process. Without such protection, companies are unlikely to invest the funds required to commercialize new technology.

This document is intended to serve as a practical guide – a road map -- on technology transfer as it relates to policies and procedures for PASSHE University employees. University employees are defined as:

- Faculty, including permanent, temporary, and others considered equivalent to a faculty rank, fellows, or other faculty-type appointments;
- Staff, including managers, administrators and all other staff classifications; and
- Student who are employed or otherwise compensated at their university through mechanisms such as tuition waivers, wage payroll, graduate assistantships, or other employment classifications used when hiring students

Other Covered Individuals include emeritus/retired faculty, visiting scholars/scientists, contract employees, consultants and others engaged in research at the University who are not employees or students. Students who are not employed or otherwise compensated for services at their university should refer to the "Student Intellectual Property, Technology Transfer & Commercialization Guide" for help with intellectual property policies and procedures related to their academic work.

Definitions of terms used in this document are contained in Appendix A.

A. GOALS

The goal of preparing and distributing these guidelines is fourfold:

1. Assist University personnel in the commercialization of their products.
2. Make inventions and creations resulting from the efforts of University personnel available to industry and the public on an effective and nondiscriminatory basis.
3. Obtain revenue for University personnel, who invent and create and for the PASSHE Universities for use in furthering their educational and research goals.

4. Define the rights and responsibilities of all parties involved in development of Technology Transfer and Commercialization at PASSHE Universities.

The information is written in accordance with Intellectual Property provisions in Article 39 of the Collective Bargaining Agreement (CBA) between The Association of Pennsylvania State College and University Faculties (APSCUF) and The Pennsylvania State System of Higher Education (PASSHE) that governs faculty work.

This document also provides guidance for compliance with federal patent requirements that are incorporated into all federal research grant agreements and contracts. University procedures regarding patent management and technology transfer must be consistent with federal law and policy as set forth in the Bayh-Dole Act of 1980, P.L. 96-517, as amended by P.L.98-620, implemented by regulations published at 37 CFR Part 401. Terms and conditions in sponsored research agreements will supersede and expand the minimum requirements of the APSCUF CBA. (Section B.6. and B.7. of the APSCUF CBA). A synopsis of the Bayh-Dole Act is contained in Appendix B.

While the purpose of this document is to provide procedures to manage patentable inventions, a note on copyrights is necessary to distinguish between the two, particularly concerning scholarly work. The University encourages faculty, staff, and students to create literary, scholarly, and artistic works. In this context, copyright ownership of such works generally rests with the creator(s). Further guidance, including details on the exceptions to creator ownership, are detailed in section IV of this document titled Copyright Practice and Procedures on page 13.

The management of patent and copyright processes in a university setting is a complex, highly specialized endeavor. As the need for clarification regarding policies and procedures arises, University personnel are urged to contact their University Authorized Officials (See Appendix C) and their delegates or designees.

Inasmuch as PASSHE only recently initiated a program to enhance its stewardship of its patent and related copyright activities, the policies and procedures cited herein are subject to ongoing review and possible future modification.

B. OVERVIEW OF DISCLOSURE OF INVENTIONS

Inventions with commercial potential may involve novel machines, devices, compositions of matter (compounds, mixtures, genetically engineered cells, plants, animals), genetic forms, software and computer systems, production processes, plant varieties, etc. Such inventions, and the patents and copyrights that reserve rights to them, are one type of Intellectual Property and are the focus of these guidelines.

University personnel have an obligation to disclose promptly to the University Authorized Official (AO) inventions developed: a) with University resources (facilities, funds, or equipment); or b) within the fields of expertise and/or within the scope of employment for which they are retained by the University. This obligation is implicit in the APSCUF CBA and is

required by law in federally-sponsored research. In practice, all inventions must be disclosed to ensure proper management of the patent and proper determination of ownership.

C. OVERVIEW OF OWNERSHIP

The University has the right to claim ownership (rights, title and interest) to inventions and related copyrighted materials made solely or jointly by its employees, as a result of research or investigation conducted by these employees and which has made use of University resources/support/facilities. In the case of faculty, the use of University resources/support/facilities must meet the definition of “Substantial Use” as defined in the CBA. In the case of non-faculty University personnel and other covered individuals, ownership rights of inventions involving ANY use of funds or facilities administered by the University, but without any University obligations to third parties in connection with such support, are to be assigned to the University pursuant to a revenue sharing plan for the inventor(s) that is mutually agreeable.

However, all inventions developed as part of, or a continuation of, federally assisted research are owned by the University, with or without “Substantial Use” by faculty of University resources/support/facilities, in accordance with the Bayh-Dole Act. “Ownership” of a patent by the University does not infringe upon the employee’s standing as inventor, as further discussed herein.

In cases where substantial use of university resources is not demonstrated, University faculty may voluntarily transfer ownership of any patentable process, device, invention or copyrightable materials to the University. In the case of voluntary transfer, the employee and the University shall reach mutual agreement on sharing recovered royalties. There is no obligation on the part of the University to accept transfer of ownership of any process, device, invention, or copyrightable materials created by an employee.

The University may contract for sponsored research or investigation with an external sponsor which uses University resources/support/facilities and/or employees’ services in which the ownership of any invention, patent or related copyrightable materials resulting from this work varies from the paragraph above. In this event, it is the duty of the University AO or designee to notify all employees performing sponsored research under these terms of this variance.

An invention made by an individual wholly on such individual’s own time, and without the use of University facilities, shall belong to the individual even though it falls within the field of competence relating to the individual’s university position. For purposes of this provision, an individual’s “own time” shall mean time other than that devoted to normal and assigned functions in teaching, university service, direction and conduct of research on university premises and utilizing university facilities. The term “University facilities” shall mean any facility available to the inventor as a direct result of the inventor’s affiliation with the PASSHE University, or any facility available under the University’s policies on co-operative use of research equipment, or policy on use of facilities by emerging technology enterprises, and which would not otherwise be available to a non-PASSHE affiliated individual.

II. Patent Practice and Procedures

A. FACULTY SUBSTANTIAL USE

The “Substantial Use” of University resources/support/facilities by faculty is a key factor in the determination of ownership of patentable intellectual property under the terms of the APSCUF CBA. (However, as previously noted, “Substantial Use” is NOT a consideration in determining ownership of inventions made by non-faculty personnel or inventions made by any University personnel as a part of or a continuation of federally sponsored research, because the Bayh-Dole Act provides for University ownership in such cases. The federal law pre-empts the APSCUF CBA per sections B.6. and B.7.)

Confirmation of Substantial Use is a responsibility shared by the inventor and the University.

1) It is the inventor’s duty to disclose all incidental and substantial use of University facilities, labs, equipment, paid student workers; and amount and source of funds used to support the research leading to the invention. This disclosure is made at the time of Invention Disclosure.

1) It is the University’s responsibility to confirm the Inventor’s disclosure and to establish a mechanism to track the institutional support (cash and in-kind contributions, grants and contracts) of faculty research, including but not limited to release time, replacement faculty costs, graduate assistants, other student workers, travel funds, supplies, stipends, use of labs and equipment, un-recovered overhead or F&A costs, which are all examples of the costs defined by the APSCUF CBA (see Definitions in Appendix A). These costs are typically budgeted at the proposal stage of a sponsored research project and provided to the University’s grant office and fiscal office. The University’s Authorized Official (AO) will designate staff responsible for this function. (See Appendix C)

B. INVENTIONS DISCLOSURES AND OWNERSHIP DETERMINATIONS

University personnel who anticipate the possibility of creating potentially patentable Intellectual Property through their research endeavors, have the duty to alert University administrators of the possibility at the outset of their research. The recommended method of accomplishing this for external proposals is a statement on the proposal routing form, in the form included on Exhibit D-2. For non-sponsored research, a similar notice to the University AO via the employee’s Dean/Director is necessary.

University personnel who believe they may have developed an invention should immediately notify the University’s Authorized Official (AO). University personnel have an obligation to disclose promptly to the University Authorized Official (AO), inventions developed, a) with University resources (facilities, funds, or equipment), or b) within the fields of expertise and/or within the scope of employment for which they are retained by the University. They will be asked to complete an Invention Disclosure Form. The invention disclosure defines the nature of, and provides the basis for a legal claim to, the invention in question. In every case, the invention

process must be documented in lab notes, work logs and other appropriate documentation attached to the Disclosure. This documentation will chronicle the contributions of each inventor. The form for the disclosure is attached as Appendix E. The University AO distributes the disclosure to the University's CAO, University Legal Counsel (ULC), and the "PASSHE TTO". The PASSHE TTO is a system-wide, central clearing-house for patent management; it engages the services of Technology Licensing Officers and outside legal counsel to support University patent activity.

Invention disclosures are reviewed and evaluated at the University level for "substantial use" support provided by the University (in accordance with the APSCUF CBA, Section C.4. – see definitions) and for any restrictions imposed by sponsor requirements. The University's AO shall accept or delegate responsibility for this evaluation and may create a campus committee to do so. This evaluation will determine that the invention falls into one of four classes:

1. External Sponsored Work –

(a) Ownership Rights to inventions which are subject to the terms of a sponsored research or other agreement between the University and a third party are subject to the terms of the applicable agreement and laws. Patents developed in whole or in part under Federally sponsored research, including prior federally sponsored research, are subject to the Bayh-Dole Act, and thereby, owned by the University.

(b) In the absence of such terms, the ownership rights to the inventions shall be assigned as mutually agreed between the sponsor, inventor(s) and University *upon award of funding* pursuant to an agreement that addresses ownership and revenue sharing . For faculty inventor(s) the revenue sharing plan shall be consistent with the APSCUF CBA. This agreement shall be executed during the award negotiations and prior to expenditure of funds. Suggested language, Appendix D, may be incorporated into the research proposal in order to advise the sponsor of the University's expectations.

2. Substantial Use of Funds or Facilities – Ownership Rights to faculty created inventions involving the substantial use of funds or facilities administered by the University, but without any University obligations to third parties in connection with such support, are to be assigned to the University pursuant to a revenue sharing plan for the inventor(s) that is consistent with the APSCUF CBA. This class includes research sponsored by the University by other PASSHE Universities , and by the Office of the Chancellor.. Ownership Rights of inventions created by non-faculty University personnel involving ANY use of funds or facilities administered by the University, but without any University obligations to third parties in connection with such support, are to be assigned to the University pursuant to an agreement that addresses ownership and revenue sharing with the inventor(s) that is mutually agreeable.

3. Without Substantial Use of Funds or Facilities – In accordance with Section B.1. of the APSCUF CBA, the University will not assert any ownership rights to faculty-created inventions not involving the substantial use of funds or facilities administered by the University and not a part of the employee's University duties and not part of or a continuation of federally sponsored research. However, if an inventor in this class wishes to avail him/herself of the services of the Technology Transfer Office, they may voluntarily assign their rights in ownership to the

University pursuant to a revenue sharing plan that is mutually agreeable to the University and inventor(s).

4. Work for Hire – Most if not all work created by non-faculty University personnel will fall within this category. In addition, in accordance with Section B.9. of the APSCUF CBA, the University owns all rights to faculty-created copyrightable material that are works made for hire under the Copyright Act. This includes works that are: (1) prepared by an employee within the scope of his or her employment; or (2) specially ordered or commissioned by the University. Ownership and control of works for hire will be governed by federal copyright law and an agreement to be made prior to commencement of work between the University and the creator. A work-for hire agreement template is available from the PASSHE TTO or ULC. The University retains the copyrights of works-for-hire, but may grant the creator permission to use the material during the term of his/her employment with the PASSHE/University. A mutually agreed upon revenue sharing plan may be part of the work-for-hire agreement.

C. UNIVERSITY RELEASE OF OWNERSHIP

If the University determines that it does not have claim to the invention or materials based on non-substantial use of University resources/facilities/supplies or sponsor requirements or if the University decides that it is not desirable for the University to pursue patent or copyright protection and the University declines to do so, all rights to ownership of the invention or materials will be released to the inventor(s) or developers, if allowed by any sponsor. The inventor(s) or developer(s) would then have the right to pursue a patent or copyright at their own expense. In exploiting or developing any released invention or materials the inventor(s) or developer(s) shall not use University facilities and resources or the name of the University. Even when the University relinquishes its right to pursue a patent or copyright to the inventors or developers, it will retain a non-exclusive, royalty-free license to practice the invention or use the materials for its own purposes.

An assignment to the inventor(s) will require the inventor(s) to, among other things:

1. Accept an equal undivided interest and take responsibility for further assignment of rights to all inventors.
2. Accept responsibility for future patent costs as they are incurred.
3. Exclude “future” or “related inventions” which may arise out of the inventor’s research, or any “background rights” that may be needed to practice the invention.
4. Grant a non-exclusive, royalty-free right to practice the invention and any resulting patents to the University for their own internal, non-commercial research purposes, including the right to sublicense to other research entities.

D. MANAGING PATENTABLE INVENTIONS

Invention disclosures are forwarded by the University AO to the PASSHE Technology Transfer Office (TTO), a system-wide, central clearinghouse serving all PASSHE Universities. It is the responsibility of the University to maintain and transmit an accurate record of invention, ensuring that the employee has agreed to transmit the invention.

The PASSHE TTO evaluates the Invention Disclosure for patentability and market potential. A preliminary patent search is generally performed by the PASSHE TTO. If this process suggests that the invention has significant commercial potential, the following sequence is set in motion.

1) The PASSHE TTO, in concert with inventors, will attempt to identify companies whose technology interests coincide with the invention in question. A Technology Licensing Officer (TLO) will be assigned to work with the inventor(s). Non-enabling disclosures are sent to these companies to inform them of the general nature of the invention, without divulging its essential elements. Upon the expressed interest of a potential licensee, additional detailed information about the invention is released following the execution of an appropriate Confidentiality Agreement. The TLO directly negotiates any licensing (and similar) agreements, accepting input and guidance from the University AO, but University personnel do not directly enter into negotiations.

2) In return for rights to an invention, licensees will be expected to file a patent application at their expense in the name of the University. If an invention requires further research to bring it to the point of commercial utilization, companies will be encouraged to provide the necessary research support as part of either a Research and License Agreement, or an Option Agreement. Where an option is involved, companies are offered an exclusive right to negotiate a license in return for a research commitment and/or appropriate payment.

3) The University (that is, the University AO) in consultation with the PASSHE TTO may, under certain circumstances, elect to apply for a patent concurrent with the search for a licensee. This option is very selectively applied as a consequence of the limited funds available for this purpose, and is restricted to unusually promising inventions in dynamic, highly competitive fields. Where this option is contemplated, the results of the preliminary patent search will be submitted to a patent attorney who specializes in the appropriate technical area for a patentability opinion. A decision to proceed will be based on a judgment that the invention is patentable, is not encumbered by other patents, and has sufficient commercial potential to justify patent expense.

4) If, in concert with inventors, the PASSHE TTO is unable to identify a licensee in a timely fashion, the disclosure will typically be returned to the University for further evaluation. The University AO, in consultation with the PASSHE TTO may thereafter elect to accept the disclosure, file a patent application, and initiate the licensing process.

The PASSHE TTO provides monitoring of licensing agreements, including paying all patent maintenance fees, performing due diligence requirements and ensuring licensee obligations are fulfilled.

5) Inventors may petition the University for the assignment of invention ownership rights to them when it

- a) is consistent with the policies and best interests of the University,
- b) would advantage the transfer of technology to the private sector, and

c) is in accord with the University's obligations to sponsors and other third parties.

For example, should the PASSHE TTO fail to identify a licensee, and the University AO subsequently elect not to accept the invention, inventors may petition the University for the assignment of invention ownership rights to them as described above.

The foregoing procedure is based on the premise that a close working relationship between University inventors and the PASSHE TTO is important for the successful management of inventions. The reasons are varied. Inventors' knowledge of their research areas, and of companies active in related technologies, are key elements of the technical and market assessments for an invention, and of the search for licensees. In addition, inventions can serve as powerful catalysts for industrial research support. The search for such support is greatly enhanced by close collaboration between inventors and the PASSHE TTO. Finally, the search for licensees willing to underwrite the cost of concept refinement and/or patent prosecution represents a useful "market test" for an invention.

E. PUBLIC DISCLOSURES

The commercial exploitation of inventions, in the form of products and processes for business and industry, is a highly competitive enterprise. It is therefore critical that inventors begin the University disclosure process as soon as the possibility of an invention becomes evident. Delays give others an opportunity to establish a claim which may deprive an original inventor of his/her rightful recognition and compensation. Some other considerations follow.

In general, it is prudent to delay the oral disclosure or publication of research details that are specific to an invention until such time as the invention has been evaluated and, as appropriate, protected. Such decisions, however, should not be allowed to adversely affect the progress of students toward their degrees. In most cases, the omission of information from publications which would compromise a commercial application does not impede the free flow of fundamental knowledge. In particular, inventions in a University setting are usually practical manifestations of an underlying body of fundamental knowledge. As such, one can frequently engage in the free exchange of basic ideas without compromising the practical application. If inventors have questions about the disclosure or publication of research, they are encouraged to discuss the matter with the Technology Transfer Office.

Public disclosure of a concept in the open literature (in abstracts and texts of presentations at meetings, and in theses, etc.) generally precludes obtaining patent protection in most foreign countries. In the U.S., one may obtain a patent as long as the application is filed within one year of the date of public disclosure. The impact of the waiving of foreign rights for an invention depends upon the size of U.S. and foreign markets, the relative market shares of foreign and domestic companies in the technology in question, etc.

F. SPONSOR AGREEMENTS

1) Industry sponsors

Rights to inventions arising from industrially sponsored research are usually prescribed in a research contract containing a work statement and other terms and conditions of the award. Sponsors generally receive the first option on a license to technology resulting from research which they support. As the contractor for the specified research, the University must ensure that it has not committed rights to technologies to multiple sponsors. In dealing with potential industrial sponsors, faculty investigators should thus be sensitive to this possibility. The consequences of commingling intellectual property rights can be substantial. Until such time as they are resolved, disputes over sponsor rights can limit or eliminate opportunities for additional industrial support for promising research areas. Unfortunately, such disputes can last for years.

2) Federal agencies

Federal agencies allow contractors, including universities, to retain ownership of intellectual property arising from research which they sponsor. The government retains non-exclusive rights to such intellectual property for its own purposes. The University has a contractual obligation to inform sponsoring agencies of inventions within two months after they are disclosed to the University Authorized Official (AO) to elect to retain title within two years, and to file a patent within one year of election.

3) Research Consortia

Members of research consortia are typically given non-exclusive rights to inventions conceived in whole or part with consortium funds. Such arrangements can, unfortunately, seriously compromise the commercial potential of an invention. In particular, the resulting lack of marketplace exclusivity may deter companies from investing in the production facilities and marketing strategies required to commercialize an invention. Faculty concerned about this issue may wish to restrict the use of consortium funds to the support of pre-proprietary research.

G. CONSULTING AGREEMENTS

University personnel shall not enter into private consulting contracts that put at risk of disclosure or loss of protection University-owned IP or IP that the University has a potential claim to own. University personnel shall not transfer or disclose to a third party any University-owned IP or potentially University-owned IP through private consulting activities.

Private consulting contracts sometimes contain provisions that limit the disposition of research results, including intellectual property, in promising research areas. University personnel have the duty to ensure that the assignment of rights to intellectual property evolving from consulting activities does not conflict with the ownership rights of the University. In general, University personnel may, within the scope of a private consulting agreement, assign rights to intellectual

property in their fields of expertise where organizations engaging their services have legitimate prior claims to the development(s) in question. Examples include consulting activity within a faculty's field of expertise, which leads to the refinement of an existing product or process, or to a development for which background patents or prior art claims exist (and are held by the consulting client.)

On a related note, University personnel may undertake Private Consulting only when it is done without use of University resources, including, but not limited to equipment, staff, laboratories, equipment and computer networks. Employees may not make incidental or substantial use of University resources for fulfillment of a private consulting contract, regardless of the Intellectual Property terms and condition of their contracts. This restriction is necessitated by compliance with conflict of interest and Pennsylvania Employees Ethics Act. However, this restriction does not preclude use of University resources when the University receives fair market value compensation from the employee pursuant to an approved written agreement between the parties; such as a faculty-owned business operating in a University-owned business incubator, paying rent according to a standard lease agreement.

H. CONFIDENTIALITY

1) Material Transfer Agreements

Researchers often share proprietary material with other researchers who are outside the University or PASSHE system. Whether receiving or sending proprietary material to other researchers or companies, a Material Transfer Agreement is often necessary. These agreements are commonly used for the transfer of biological materials, hazardous materials as well as proprietary information and trade secrets. They often address rights to the results of the research in which the material is used, and hence have a significant impact on patent rights. Researchers and University Officials must take care in avoiding agreements with disadvantageous or harmful terms and conditions that restrict IP rights. These agreements can only be signed by University Officials that have contract authority, after the agreement has been reviewed by Legal Counsel. Additional information is included in Appendix G.)

2) Non-Disclosure or Confidentiality Agreements

An additional tool to protect patent rights are Non-disclosure or Confidentiality agreements. These agreements are used when providing additional detailed information about inventions to potential licensees. These agreements protect the University and inventors' rights when it is necessary to disclose enabling details or essential elements about an invention. Model Confidentiality Agreements are available from the PASSHE TTO and ULC.

I. PENNSYLVANIA STATE LAW

Employee-owned companies represent unique issues when it comes to licensing University-owned inventions. The Pennsylvania Adverse Interest Act prohibits Pennsylvania state agencies

from entering into contracts with state employees. This Act covers PASSHE Universities as “state agency” and PASSHE faculty as “state employees.” Therefore, a University owned invention cannot be licensed to an employee-owned company. Questions on this point should be referred to University Legal Counsel.

III. Administration

A. TECHNOLOGY TRANSFER OFFICE - FUNCTIONS

Upon receipt of an Invention Disclosure, the Technology Transfer Office assists University administrators and inventors relative to the implementation of patent and copyright policies, and provides counsel on Technology Transfer matters. Mechanisms for assisting University personnel with the patent and copyright processes, and subsequent licensing are described in the PATENT and COPYRIGHT sections of this document.

B. UNIVERSITY AUTHORIZED OFFICIAL - FUNCTIONS

The University Authorized Official (AO) or designee assists University personnel with patent disclosures, ownership determinations and conflict-of-interest issues related to technology transfer and entrepreneurial activities. The University AO has a primary role in monitoring adherence to, and advising personnel on, PASSHE and University procedures in these areas.

To enhance awareness of policies and procedures, the University AO (or designee) shall organize on-campus education and outreach efforts, including collaborative efforts with the PASSHE TTO, such as information meetings on Technology Transfer matters, conflict-of-interest, and technology transfer aspects of outside activities.

The University AO makes the final determination to pursue patent filings and incur the costs associated with such action.

University administrators are encouraged to avail themselves of Technology Transfer Office and University Legal Counsel expertise particularly on the more complex issues.

C. EMPLOYEE ACKNOWLEDGMENTS – RESPONSIBILITIES

The cooperation of all within the University community is an essential element of efforts to protect concepts with commercial potential (inventions or creations) via patents and copyrights, which is an essential aspect of the technology transfer process.

Therefore, all PASSHE and University employees (as defined in Appendix A) will receive and acknowledge receipt of the PASSHE Technology Transfer Guidelines upon initial hire as a routine part of their orientation. It shall be the responsibility of the appropriate Human Resources executive or administrator to ensure that the PASSHE University Technology Transfer Guidelines are presented to, and the receipt acknowledged by, any covered University employee.

All current University and PASSHE employees will receive and acknowledge receipt of these guidelines. All others who may be in a position to make, conceive or reduce to practice inventions or otherwise develop technology under sponsored research, whether or not salary or other support is received from such projects, or through the use of significant University-administered funds or facilities, including Individuals, such as but not limited to, student employees in positions to make inventions, postdoctoral fellows, contract employees, consultants, emeritus or retired faculty, and visiting scholars/scientists, will receive and acknowledge receipt of the PASSHE Technology Transfer Guidelines upon initial appointment. It shall be the responsibility of the appointing official or administrator to ensure that the PASSHE University Technology Transfer Guidelines are presented to, and the receipt acknowledged by, any covered individual.

D. INTELLECTUAL PROPERTY AGREEMENTS - RESPONSIBILITIES

The University Senior Sponsored Research Administrator will ensure that Faculty and all named project personnel shall acknowledge their duty to disclose and assign inventions, as appropriate, when submitting sponsored research proposals for institutional approvals. Appropriate language is included in Appendix D-2. The Bayh-Dole Act requires inventor(s) to disclose and assign ownership of inventions arising out of federally assisted research to the University, so a formal assignment agreement shall be signed at proposal submission of any federal grant or contract proposal, or continuation of prior federally assisted research, or any grant or contract proposal when the use of University facilities meets the threshold of substantial use. The Senior Sponsored Research Administrator shall ensure these agreements are signed at the time of the proposal submission. (An agreement is included as Appendix F.)

***Please Note:** The requirement to have individuals identified above, sign an intellectual property acknowledgment and/or agreement arises from: 1) the provisions of the APSCUF Collective Bargaining Agreement 2) the University's obligations under the federal Bayh-Dole Act to patent and effectively transfer inventions arising from federally sponsored research results to industry for the public benefit and to grant the government a license to use such inventions for government purposes; 3) the University's compliance with contract terms under industry-sponsored research; and 4) the University's responsibility to protect the intellectual property of our faculty and students. It is not intended to restrict the free exchange of scholarly information or prohibit free and open collaborations between scholars or scientists. It is specifically directed toward those situations in which the development of new technology is targeted.*

E. REVENUE DISTRIBUTION

The University will be the licensor for employee copyrights and patents when either a licensee has filed the relevant patent application in the name of the University, or the University has elected to file on its own. After recovery of any direct patent or copyright prosecution, indirect (or overhead) expenses, maintenance, or infringement litigation costs incurred by the University,

royalty revenues are distributed in compliance with the APSCUF CBA, Section D.1. when applicable, or in compliance with mutually agreed schedules allowed under these guidelines.

The University's share of royalty revenues is utilized to support research, and a portion of the cost of contracting with the Technology Transfer Office. Funds are also set aside to defray legal expenses associated with infringement actions and product liability litigation accruing to University patents and copyrights. All net royalty revenues received by the PASSHE Universities will be devoted to the support of scientific research and education.

IV. Copyright Practice and Procedures

While the purpose of this document is to provide procedures to better manage patentable inventions, a note on copyrights is necessary to distinguish between the two, particularly concerning scholarly work. The University encourages faculty, staff, and students to create literary, scholarly, and artistic works. In this context, copyright ownership of such works generally rests with the creator(s). There are exceptions to this rule such as works that are generated within the scope of the creator's employment, commissioned by the University, or are subject to a sponsor's agreement which provides for a different ownership. In keeping with academic tradition, PASSHE will not claim any ownership, interest, or share of the proceeds in the following types of Intellectual Property which are used or created for instructional purposes or as a result of scholarly activity: (a) publications, (b) textbooks, (c) educational courseware, (d) lectures, (e) recordings [video or audio], (f) original works of art, (g) fiction, including popular fiction, novels, poems, dramatic works, (h) motion pictures and other similar audio-visual works, (i) musical compositions, or (j) computer software per Article 39, B.2 of the APSCUF CBA. Copyrights in research or survey instruments (questionnaires, etc.), instructional materials (including videotapes), and in computer software created at the direction of the University are considered a work made for hire under federal copyright law and hence owned by the University. University personnel creating such materials are urged to contact the University AO and designees, for assistance in the copyright process and for subsequent licensing efforts, consistent with Article 39. B.6.

Courseware/Software

Ownership of educational courseware created through and for distance education is governed by the provisions of Article 39, B.2. and Article 42 of the APSCUF CBA. The exceptions are when courseware is developed at the initiation of the University as part of a University-employed author's normal duties or as a special project for which extra compensation is provided, such work will be considered as a work for hire, or commissioned work, and the University will own the copyright. If the University commercializes the software, the faculty will receive royalties. Faculty will retain a non-exclusive license to use the courseware for educational purposes, but the faculty cannot sell the courseware.

Patentable software developed for courseware purposes or for any other purpose is treated as an invention under these guidelines; disclosure is required and ownership is subsequently determined. Patentable software must meet the definition of an invention: it must be novel,

useful and non-obvious. Faculty own non-patentable software they develop, unless it is developed at the initiation of the University as a work-for hire (as above.)

If any faculty wishes to pursue commercialization of courseware/software that they own and wish to utilize the resources of the Technology Transfer Office, they may voluntarily assign ownership to the University, pursuant to a revenue sharing plan that is mutually agreeable to the University and inventor. A voluntary assignment agreement template is available from the PASSHE TTO and ULC.

APPENDIX A

Definition of Terms and Acronyms

Bayh-Dole Act- Enacted on December 12, 1980 The Patent & Trademark Act (Public Law 96-517) created a uniform patent policy among Federal agencies that fund research. Bayh-Dole enables small businesses and non-profit organizations, including universities, to retain title to materials and products they invent under federal funding. Subsequent amendments created uniform licensing guidelines and expanded the law to include all federally funded contractors (Public Law 98-620). The implementing regulations for Bayh-Dole are published at 37 CFR Part 401.

Commissioned work - See work for hire. Commissioned works include, but are not limited to, courseware development specifically assigned or required as part of regular teaching duties.

Copyright- a form of protection that prevents copying of “original works of authorship” that is tangible. These works include literary works, musical works, dramatic works, sculptural works, architectural works, pantomimes, choreography, pictorials, graphics, motion pictures, sound recording and software.

Courseware- a complete substantially computer-based package of content, assessment materials, and structure for interaction that permits a course to be taught without requiring physical access to a student.

Individual’s “own time” shall mean time other than that devoted to normal and assigned functions in teaching, university service, direction and conduct of research on university premises and utilizing university facilities.

Intellectual property- the term used to describe the patents, copyrights, mask work protection, trade secrets, and plant variety protection certificates that cover or pertain to inventions.

Invention- Invention(s) refer to any technical contribution, discovery, process, method, use, design, improvement, modification or combinations thereof, conceived of and reduced to practice during the course of research carried out for or at the University. Includes computer software, novel machines, devices, compositions of matter (compounds, mixtures, genetically engineered cells, plants or animals), genetic forms, mask works, production processes, production methods, plant varieties, etc. that did not exist before.

Invention and Copyright Assignment Agreement is an agreement between the University and the faculty, staff or student inventor(s) or developer(s) which allocates between the University and the inventor, the title, ownership and rights to the invention or materials that results from research carried out at or for the University in exchange for the monetary considerations..

Inventor: One who conceives and either personally or through someone else reduces the invention to practice. The conception of an invention is complete if the inventor is able to make a disclosure that would enable someone skilled in the art to make the invention without extensive research or experimentation. Someone who constructs the invention based on the inventor's conception or who merely assists in the reduction to practice of an invention is not an inventor. Failure to name the correct inventors can result in invalidation of the patent. It is the obligation of all inventors to adequately document their inventive contributions in laboratory notebooks. Inventorship is distinct from authorship and ownership.

Materials refer to those items which arise from work performed by faculty, staff or students which can lead to copyright protection and could include course work, books, films, recordings, grants, software and other publications developed outside of those needed for individual classroom instruction as defined in Article 39, Paragraph B. 2. of the APSCUF Collective Bargaining Agreement. This should not be confused with research materials described under Material Transfer Agreements.

Material Transfer Agreements are mechanisms for obtaining needed research materials, including but not limited to biological material. They are frequently required when a provider of material or data deems it necessary in the following circumstances:

- The material and/or information is proprietary;
- The material or information is being maintained as a trade secret;
- The material is infectious, hazardous or subject to special regulations;
- The provider is concerned about potential liability; and/or
- The provider wishes to obtain rights to the results of the research in which the material or information is to be used (COGR, 2003)

Only University officials who have contract authority can sign material Transfer Agreements after legal review.

Net Income as defined in the APSCUF CBA, is the total income generated by the licensing, sale, distribution or commercialization of an invention, less the direct and indirect expenses incurred by the University for:

- a. Substantial use of University resources/support/facilities.
- b. The sale or licensing of the invention.
- c. The production, development, maintenance, and distribution of the patent or copyright and/or invention.
- d. Litigation and other steps to obtain, maintain, enforce or defend the patent or copyright.

Other Covered Individuals - Individuals who are required to sign Intellectual Property Agreements, but are not employees or students of the University are considered "Other Covered Individuals." This includes emeritus/retired faculty, visiting scholars/scientists, contract employees, consultants and others engaged in research at the University who are not employees or students.

Patent- a grant to the owner or assignee of the patent the right to exclude others from making, using or selling the invention for a term of twenty years from the date of the patent application. Provisional patents are typically filed as a “placeholder” for one year; non-provisional patents are examined and patents issued by the US Patent Office.

Patentable invention a novel, non-obvious, and useful discovery. It can be: a device, a manufacturable article, a machine, a composition of matter, a process or method, or a new, useful improvement. It excludes printed matter and pure algorithms.

Substantial Use of Institutional Resources- Substantial use of institutional resources is a provision in the APSCUF CBA and only applies to faculty of PASSHE Universities. The term has no applicability to other employees or to students. It means that for the project that produced the intellectual property the faculty member/creator received staff, salary or material support beyond that normally provided to the creator (i.e. faculty) at the University. For operational purposes it is defined identically to that of Paragraph C. 4. of Article 39 of the APSCUF CBA. It is reproduced here for completeness.

Use of University resources/support/facilities will be considered substantial if the use of such resources/support/facilities is important to the creation of Intellectual Property and the University aid exceeds a cumulative total of \$40,000 per project, for any combination of the items listed below over a three-year period. Examples of such support items include but are not limited to the following:

- (1) Alternate assignment, and/or special assignment for a specific project or task.
- (2) Use of University funds designated for a specific project or task.
- (3) Use of University-owned, administered, leased equipment, facilities, materials or technological information.
- (4) Support provided by other public or private organizations when it is arranged, administered, or controlled by the University.
- (5) Assistance of one or more University employees or students, or others who are assigned to the project or task.
- (6) Cash investments or cash purchases.

Examples of such support do not include the following:

- (1) Mere incidental use of University resources/support/facilities.
- (2) Normal academic use of facilities commonly available to faculty members, staff, or the public, such as libraries, offices, office equipment, or internet services.
- (3) Use of university sabbatical leave unless there was substantial use of University resources/support/facilities as defined above.

Technology transfer- the process whereby University creative and scholarly works may be put to public use and/or commercial application.

TLO – Technology Licensing Officer. TLO’s evaluate inventions for commercialization potential and negotiates licensing agreements, among other duties.

TTO – PASSHE Technology Transfer Office, system-wide, central clearing-house for patent management for all PASSHE Universities. The TTO engages the services of Technology Licensing Offices and outside legal counsel.

ULC – University Legal Counsel

University AO - University Authorized Official.

University employee or University personnel refers to part-time and full-time faculty, part-time and full-time staff and administrators, paid or otherwise compensated undergraduate and graduate students and others with a defined relation to the University. Students who receive a tuition waiver conditioned on work or service hours are considered University employees or personnel for purposes of this policy. This term also includes visiting scholars/scientists and contract employees and consultants.

University facilities shall mean any facility available to the inventor as a direct result of the inventor’s affiliation with the PASSHE University, or any facility available under the University’s policies on co-operative use of research equipment, or policy on use of facilities by emerging technology enterprises, and which would not otherwise be available to a non-PASSHE affiliated individual.

University-sponsored Research- includes research covered under an official University research contract and any research like activity or other creative endeavor carried out by employees in the course of their official duties or responsibilities, or any activity that makes substantial use of institutional resources.

Work for Hire- The U.S. Copyright Act defines a “work made for hire” as (1) a work prepared by an employee within the scope of his her employment; or (2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas, if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire. For the purpose of the foregoing sentence, a “supplementary work” is a work prepared for publication as a secondary adjunct to a work by another author for the purpose of introducing, concluding, illustrating, explaining, revising, commenting upon, or assisting in the use of the other work, such as forewords, afterwords, pictorial illustrations, maps, charts, tables, editorial notes, musical arrangements, answer material for tests, bibliographies, appendixes, and indexes, and an “instructional text” is a literary, pictorial, or graphic work prepared for publication and with the purpose of use in systematic instructional activities. The APSCUF CBA further clarifies that the creator is compensated by PASSHE. An operational definition is: work conducted by University employees as part of the scope of their employment or under campus consulting, extra service or technical assistance arrangements regardless of the form of compensation.

Appendix B

University obligations under the Bayh-Dole Act

Bayh-Dole permits universities, other nonprofits such as teaching hospitals, and, in most cases, commercial federal contractors to retain title to inventions that are conceived or first reduced to practice in the performance of a federal grant, contract, or cooperative agreement in exchange for certain obligations on the part of the contractor.

In considering Bayh-Dole's implications and requirements, it is important to keep in mind the objectives of Act as established in its preamble. They are to:

- promote the utilization of inventions arising from federally supported research and development programs;
- encourage maximum participation of small business firms in federally supported research and development efforts;
- promote collaboration between commercial concerns and nonprofit organizations;
- ensure that inventions made by nonprofit organizations and small business firms are used in a manner to promote free competition and enterprise;
- promote the commercialization and public availability of inventions made in the U.S. by U.S. industry and labor;
- ensure that the Government obtains sufficient rights in federally supported inventions to meet the needs of the Government and protect the public against nonuse or unreasonable use of inventions; and
- minimize the costs of administering policies in this area.

By accepting federal funds in support of a research project, recipient institutions assume responsibility for complying with the requirements of the Act. In general, the institutions are required to:

- obtain written agreements from all employees (except clerical and non-technical personnel) recognizing their obligations to report inventions developed under federally funded programs to the appropriate university office and assign them to the institution;
- disclose an invention to the federal agency supporting the applicable research program within two months after the inventor discloses an invention in writing to the institution;
- elect title to the invention within two years after disclosing the invention to the federal agency but no later than 60 days before the end of any statutory period in which valid patent protection can be obtained in the U.S.;
- file a patent application within one year after election of title, but no later than the end of any statutory period in which valid patent protection can be obtained in the U.S.;
- include at the beginning of the U.S. patent application and patent a statement that the U. S. Government has rights in the invention and identifying the sponsoring agency and the number of the funding award;
- submit to the funding agency a confirmatory license for each U.S. patent application;

- notify the funding agency within 10 months after filing the initial patent application whether and in which countries corresponding foreign applications will be filed;
- submit periodic reports, no more frequently than once a year, regarding the utilization of the invention as requested by the funding agency;
- notify the funding agency at least 30 days before statutory deadlines if a patent application or patent will be abandoned;
- give preference to issuing licenses to small business firms if they show they have the resources and capability to bring the invention to practical application;
- except with permission of the funding agency, not assign rights to inventions to third parties (except to patent management firms), including to the inventor;
- require any exclusive licensee to substantially manufacture in the U.S. any products that will be sold in the U.S., unless this requirement is waived by the funding agency;
- share with the inventor(s) of the invention a portion of any income the institution receives from the licensing of the invention;
- use the balance of income received from the licensing of the invention (after costs associated with patenting and licensing are reimbursed) to support education and scientific research.

These obligations are not trivial. They explain why universities and non-profit institutions must make serious resource commitments to supporting the personnel and infrastructure required to comply with the federal regulations that implement the Bayh-Dole Act.

Source: A Tutorial on Technology Transfer in U.S. Colleges and Universities, Council on Governmental Relations, September 2000

Appendix C

PASSHE University	University Authorized Official	Designee to monitor Substantial Use	Official to sign License Agreements	Senior Sponsored Research Administrator
Bloomsburg				
California				
Cheyney				
Clarion				
East Stroudsburg				
Edinboro				
Indiana				
Kutztown				
Lock Haven				
Mansfield				
Millersville				
Shippensburg				
Slippery Rock				
West Chester				

Appendix D-1

IP policy statement for proposals for non-federal grants/contracts; to be used primarily in proposals to foundations and corporations.

I. Publications

The University's research activities are an integral part of the total educational program, and much of it forms the basis for articles in professional Journals, seminar reports, presentations at professional society meetings, and student dissertations and theses.

To fulfill the University's obligations as a publicly-aided educational institution, University research should serve a public rather than a private purpose, and the results should be disseminated on a non-discriminatory basis. The University encourages studies whose results can be freely published.

The University recognizes that the legitimate proprietary concerns of private research sponsors and the effective commercialization of research outcomes may require limited delays in publication. Where appropriate, publications can be deferred for a negotiated period of time in order to protect patent rights. Similarly, on those occasions where the University has accepted a sponsor's proprietary information as necessary background data for a research project, the sponsor may review proposed publications in order to identify any inadvertent disclosure of those specific data.

II. Patents and Copyrights

The University's policy with regard to inventions and creations resulting from research reflects the view that a university by its nature has an obligation to serve the public interest by ensuring that inventions are developed to the point of maximum utilization and availability to the public. The University, therefore, retains title to inventions and creations made under its sponsored programs with the understanding that it will license them in the public interest under an active inventions/creations management program in which licensing of industrial research sponsors is an important part. The University and the inventor share in the proceeds of royalty-bearing licenses. The licensing program includes a wide range of options depending on the circumstances. In some cases, where required for effective development of the invention, exclusive licenses for a limited term may be negotiated.

III. Use of Names

Research sponsors may not use the University's name in advertising or other product promotion activities without the University's prior written approval. Similarly, the University will not use the name of the sponsor in publicity releases without the sponsor's approval.

Appendix D-2

Statement for Inclusion on Proposal or Contract/Agreement Submittal/Routing Form

It is understood that all discoveries and inventions made or conceived in performance of work on this project will be the property of Slippery Rock University of Pennsylvania or in accordance with the contract terms for this project; and the Principal Investigator(s) will furnish prompt and full disclosure of inventions made during performance of this project to the University's Authorized Official. I have read the PASSHE Technology Transfer and Commercialization Guide for Faculty, and Other Employees and understand my obligations.

I, the project director, (check one): anticipate do not anticipate developing Intellectual Property during this research/project. The anticipated Intellectual Property is (check all that apply)

Publications/presentations

Software

Inventions or discoveries

Describe above IP: _____

Appendix E -1 – Invention Disclosure

INVENTION DISCLOSURE Slippery Rock University, Pennsylvania State System of Higher Education

Original Form should be submitted to the University Authorized Official via the Dean or Director at least FOUR weeks prior to public disclosure.

Completion of this invention disclosure form does **not** abrogate faculty rights accrued under Article 39 of the collective bargaining agreement.

1. Title of Invention:

--

2. **Inventor Identification:** (Attach separate sheets to accommodate more than six inventors).

Inventor Name	Inventor Title	Affiliation (University/Company)	Department Address	Home Address	E-mail Address	Work Phone

3. **Execution of Disclosure:** This disclosure must be (1) signed and dated by all inventors, (2) read, understood, and signed by one technically qualified non-inventor witness (e.g. department head), and (3) read and signed by the University Authorized Official.

Inventor Signature: _____ Date: _____	Inventor Signature: _____ Date: _____
Inventor Signature: _____ Date: _____	Inventor Signature: _____ Date: _____
Inventor Signature: _____ Date: _____	Inventor Signature: _____ Date: _____

Witness Name: _____
Signature of Witness: _____ Date: _____
Name of Dean/Director: _____
Signature of Dean/Director: _____ Date: _____
Name of Dean/Director: _____
Signature of Dean/Director: _____ Date: _____
Name of Dean/Director: _____

Signature of Dean/Director: _____ Date: _____

Name University Authorized Official _____

Signature of University Authorized Official _____ Date: _____

The University Authorized Official must notify the affiliated institutions of co-inventors.

Inventor: is defined as is one who conceives and either personally or through someone else reduces the invention to practice. The conception of an invention is complete if the inventor is able to make a disclosure that would enable someone skilled in the art to make the invention without extensive research or experimentation. Someone who constructs the invention based on the inventor's conception or who merely assists in the reduction to practice of an invention is not an inventor. Failure to name the correct inventors can result in invalidation of the patent. It is the obligation of all inventors to adequately document their inventive contributions in laboratory notebooks. Inventorship is distinct from authorship and ownership.

4. Percent (%) Contribution of Each Inventor:

5. Obligations to Third Parties:

A. Is this invention a result of **sponsored research**? No Yes

Sponsor:

Grant No.:

Principal Investigator:

Fund/Budget num

B. Are you a party to any other **agreement(s)** pertaining to the invention? (Agreements of: consulting, confidentiality, materials bailment, materials transfer, grant-in-aid, etc.)

No Yes

Agreement Type:

Name of Other Party:

Please provide copies of agreements pertaining to the invention.

6. Record of Invention:

<u>Event</u>	<u>Date</u>	<u>References</u> (include lab book numbers, models, and drawings. Attach separate sheets if necessary.)
A. Initial Concept		
B. Reduction to Practice:		
C. Development or Improvement of invention:		

7. Detailed Description of Invention:

Provide a detailed description of the invention that describes clearly and concisely:

- The object of the invention (i.e. the problem is solves)
- The solution to the problem that the invention provides
- Similar inventions in current use, and disadvantages of current practice that the invention overcomes
- Emphasize the key aspects of the invention that make it unique and non-obvious.

8. Public Disclosures:

Past Disclosures:

Has the invention been disclosed (i.e. have you told anyone about it?) No Yes

(If the invention was disclosed in writing, provide a copy of the disclosure.)

- Date of Disclosure:
- To whom the disclosure was made:
- Reason for disclosure (Possible reasons include: meetings, proposals for grant approval, submissions for review of publication, etc.):

Future **Print** Disclosures.

- Date of proposal or manuscript submission to a journal, publisher, etc.:
- Date of Publication

Future **Oral** Disclosures.

- Date of conference, convention, speech, etc.:

Electronic Disclosure (See guidelines.)

- Date of Electronic Publication:

9. What University resources/support/facilities (including external, University-administered resources) were utilized in the research leading to this invention?

Grants/ contract value:

- Name: _____ Dollar value: \$ _____
- Name: _____ Dollar value: \$ _____
- Name: _____ Dollar value: \$ _____

Release time:

- Percentage: _____ Term: _____
- Percentage: _____ Term: _____
- Percentage: _____ Term: _____

Materials:

- List: _____ Value: _____
- List: _____ Value: _____
- List: _____ Value: _____

Equipment:

- Name: _____ Time period: _____
- Name: _____ Time period: _____
- Name: _____ Time period: _____

Laboratories:

- Name _____ Time Period: _____
- Name: _____ Time period: _____

Student Assistants:

- Name: _____ Time period: _____
- Name: _____ Time period: _____
- Name: _____ Time period: _____

Staff Assistants:

- Name: _____ Time period: _____
- Name: _____ Time period: _____
- Name: _____ Time period: _____

Computer Network: Time Period: _____

Other: _____

INVENTION DISCLOSURE Instructions (Page 3)

Original Form should be submitted to the Authorized University Official via the Dean or Director at least FOUR weeks prior to public disclosure (i.e. presentations or publications)

The University Authorized Official and the PASSHE TTO assesses each invention for its patentability, enforceability, and its likelihood for commercial success. The patent process represents a significant University investment in the invention. The cost of a United State patent application ranges from \$15,000 to \$25,000, while international patent applications often total over \$100,000.

A provisional patent application provides protection for the invention for one (1) year from the filing date of the provisional, and such an application will be reviewed by the University Authorized Official and the PASSHE TTO to determine whether it will be converted to a non-provisional patent application, filed, and prosecuted.

Since you, the inventor, are the expert in your field and on the new technology, we ask your assistance in describing the competing technologies, the invention's state of development, and the potential commercial market for the invention. The bulleted lists are intended as guidelines to outline your answers, which will be presented to the University Authorized Official and the PASSHE TTO. For the purposes of this document "the invention" shall mean the disclosed invention.

Competing Technologies

What technologies compete with the invention? Describe:

- current practices/methods/technologies that accomplish the same task or solve the same problem as the invention,
- shortcomings or disadvantages of competing technology and the invention's improvement over these disadvantages (Is the invention easier, more cost efficient, smaller, or faster than the current technology?),
- the type of change an invention brings to its field (Does the invention create a revolution or an evolution?),
- patents or technical papers embodying similar technology,
- patents or technical papers embodying any part of the invention,
- the degree of research interest in the invention's field. (Is the field heavily researched?).

Invention Development

What is the status of the invention's development? Describe:

- the invention's reduction to practice (Does a working model, prototype, or biological strain exist that proves the concept is successful?),
- additional steps required to advance the invention toward commercialization (For example, does the invention require government agency approval, human tests or independent trials to determine its success?),
- approximate funding required to advance the invention toward commercialization,
- approximate time required to advance the invention toward commercialization,
- known industrial support or alliances that could provide further funding (Include contact information if available),
- companies (especially in Pennsylvania) that you think would be interested in the invention if it were brought to their attention,
- the inventor's motivation or interest in commercialization of the invention,
- the inventor's preferred method of commercializing the invention.

Market Conditions

What are the market conditions surrounding the invention? Describe to the best of your ability:

- market need(s) satisfied by the invention,
- possible processes or products that could result from the invention,
- the customers or "end-uses" of a product based on the invention,
- potential markets, their sizes and possible growth rates (Include citations for market information).

Appendix E-2

SLIPPERY ROCK UNIVERSITY OF PENNSYLVANIA PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION

SOFTWARE DISCLOSURE

Use this form to disclose software inventions to the University's Authorized Official. Prompt disclosure allows the University to secure intellectual property rights as appropriate and to fulfill obligations to external sponsors of research. Completion of this software disclosure form does **not** abrogate faculty rights accrued under Article 39 of the collective bargaining agreement.

1. **Title of Software:**

2. **Description** – Briefly describe general nature, primary functions, and areas of principal use (Attach additional page if necessary):

3. **Further development** necessary before licensing: (Attach additional page if necessary)

4. **Names and addresses** (if known) of potential licenses (especially in PA):

5. **Estimated price range** of product:

6. **Funding Source(s)** – Was work leading to the invention supported by:

A. Internal University Funds:

Project

Title: _____

B. External Funds from:

Federal Agencies? Yes

No

Corporate Sponsors: Yes

No

Sponsor: _____ Grant/Contract # _____

Sponsor: _____ Grant/Contract# _____

7. **Principal Developer(s)** – List those making substantial contributions (use second page if necessary):

a.

Name _____

Title _____

Dept. _____

Campus Address _____

Work Phone _____

Home Address _____

Home Phone _____
Citizenship _____

b.

Name _____
Title _____
Dept. _____
Campus Address _____

Work Phone _____
Home Address _____

Home Phone _____
Citizenship _____

c.

Name _____
Title _____
Dept. _____
Campus Address _____

Work Phone _____
Home Address _____

Home Phone _____
Citizenship _____

d.

Name _____
Title _____
Dept. _____
Campus Address _____

Work Phone _____
Home Address _____

Home Phone _____
Citizenship _____

e.

Name _____
Title _____
Dept. _____
Campus Address _____

Work Phone _____
Home Address _____

Home Phone _____

Citizenship _____

8. **Contribution** of each co-developer:

9. **Remarks:**

Signature of Discloser(s)

Date

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

*indicate discloser to be contacted for additional information

Appendix F – Intellectual Property Agreement

Note: Applies to faculty under provisions of Article 39B (6, 7)

UNIVERSITY INTELLECTUAL PROPERTY AGREEMENT

Purpose: This form is required to be completed and signed by University employees and other individuals engaged in covered research. Covered research includes

- (1) any federal grant or contract proposal,
- (2) any non-federal grant or contract proposal with applicable sponsor requirements,
- (3) continuation of prior federally assisted research, or
- (4) any grant or contract proposal, when the use of University facilities and resources meets the threshold of substantial use by the named faculty.
- (5) any independent, self-directed faculty research, when the use of University facilities meets the threshold of substantial use by the named faculty.
- (6) research that may be within an individual's field of expertise and/or scope of employment for which they are retained, or
- (7) a work-for hire.

University employee and other individuals include: Faculty, staff, graduate assistants and paid student workers, postdoctoral fellows, contract employees, consultants, emeritus/retired faculty, visiting scholars/scientists, and others who may be in a position to make, conceive or reduce to practice inventions or otherwise develop technology. This agreement must be signed prior to the initiation of covered research or a work-for-hire, therefore it should **be signed by employees at the time of proposal submission for sponsored research awards, including internally sponsored research, or at the time of appointment of** undergraduate/graduate students assisting research, postdoctoral fellows, contract employees, consultants, emeritus/retired faculty, visiting scholars/scientists.

Instructions: The original signed agreement should be returned to the Sponsored Research Office or equivalent *via* your department of employment or matriculation.

I agree, as a condition of my association on the following project _____ to abide by the terms of the PASSHE Technology Transfer Guidelines currently in effect, as well as any subsequent revisions thereto. In so agreeing, I especially note the responsibilities set forth below.

- (1) to assign to the University (or its designee) all rights which I have or may acquire in inventions, discoveries, rights of patent therein, or software which are conceived, reduced-to-practice by me:
 - (a) with the substantial use of University facilities or resources, or
 - (b) in the field of expertise and/or within the score of responsibilities covered by my employment/appointment/association with the University (hereafter Slippery Rock University IP), or
 - (c) with the assistance of federal funds and/or the continuation of a previously federally funded research, or
 - (d) completed under a Work-for-Hire agreement.
- (2) to submit invention disclosures to the University promptly following the completion of conception or the first reduction-to-practice of any Slippery Rock University IP;
- (3) to do whatever is required to enable the University (or its designee), at its expense, to protect the Slippery Rock University IP whether by patent, copyright or otherwise; including:
 - (a) making myself available to meet with patent attorney and provide necessary documentation, data and research results to support the filing or prosecution of patent applications or

- (b) reviewing and signing documents from patent attorney retained by Slippery Rock University (or its designee) to seek protection of Slippery Rock University IP, or
 - (c) to assist the University (or its designee) in seeking licensees to commercialize Slippery Rock University inventions;
- (4) to maintain laboratory documentation, including laboratory notebooks, where appropriate, to adequately demonstrate that inventions or discoveries were conceived or first reduced-to-practice by me including clear identification of any sponsorship;
 - (5) prior to completion of my association with work contracted pursuant to contracts or grants, a complete disclosure of all software, instructional materials, inventions or discoveries conceived or first reduced-to-practice by me with the utilization of time, money or facilities charged to contracts or grants, and copyrightable works vested there under, must be submitted to the University.
 - (6) If I serve as a principal investigator or director of a University research, development, or other type of project, I will determine whether each person who performs any part of the research or development work on the project for which I am responsible has signed an appropriate Intellectual Property Agreement; and if not, will obtain such additional Intellectual Property Agreements as are necessary, and forward them to the University Authorized Official.

I agree it is my responsibility to read and understand PASSHE policies governing IP, including University policies.

I understand that this agreement is part of the terms of my association with the above stated project and is limited to University IP resulting from such project.

My responsibility set forth in Section (3), will continue after termination of my association with the University.

I intend to be legally bound by this agreement.

PLEASE CHECK CURRENT STATUS AND SIGN:

- | | |
|--|---|
| <input type="checkbox"/> FACULTY/STAFF | <input type="checkbox"/> VISITING SCHOLAR/SCIENTIST |
| <input type="checkbox"/> GRAD ASST/FELLOW | <input type="checkbox"/> EMERITUS/RETIRED FACULTY |
| <input type="checkbox"/> GRADUATE STUDENT | <input type="checkbox"/> NON-DEGREE STUDENT |
| <input type="checkbox"/> UNDERGRADUATE STUDENT | <input type="checkbox"/> OTHER |

Printed Name

University ID # or Individual Taxpayer Identification Number

Signature

Witness

Signature

Date

Appendix G – Guidance on Material Transfer Agreements – to be developed.