

Patent Provision

FACULTY HANDBOOK – Effective September 1, 2006

Appendix IX: Patents

A. Definitions

1. Patentability

Under federal patent law, an invention must pass the following four tests in order to be patentable:

- a. The invention must fall into one of the five statutory classes: 1.) processes; 2.) machines; 3.) manufactures (objects made by humans or machines); 4.) compositions of matter; and 5.) new uses of any of the above. 35 U.S.C. §101.
- b. The invention must be useful. §101.
- c. It must be novel. §102.
- d. The invention must be “nonobvious” to “a person having ordinary skill in the art to which said subject matter pertains.” §103.

2. Patent Rights

Subject to the provisions of the patent law, patents “have the attributes of personal property.” They are assignable by an instrument in writing. §261. Whoever without authority “makes, uses, offers to sell, or sells any patented invention...during the term of the patent therefore, infringes the patent.” Patent owners are entitled to relief from such infringement. §271.

3. Sponsored Research Agreement

Any sponsored research grant, contract, fellowship, or other special arrangement to fund research by third parties.

B. Applicability

This Appendix applies to all inventions or discoveries which are conceived or reduced to practice, at least in significant part, by faculty of the University under circumstances described in Section IV of this Appendix. Such inventions or improvements will be referred to as University inventions.

C. Disclosure of Inventions

As soon as reasonably possible in each case, all University inventions shall be disclosed in writing to the Director of Research, using a Disclosure of Invention Form. The Director of Research or the Director of Research Services should be kept fully informed in writing of the progress and results of all research and development work done with respect to such inventions. The Director of Research, the inventor's(s') Dean(s), ORS staff, and the Faculty Research Committee shall keep all disclosed information confidential.

D. Ownership of Inventions

Any invention or discovery (a) resulting from research carried on by or under the direction of any faculty member of the University and having all or part of the cost thereof paid from University funds or from funds controlled or administered by the University; or (b) which has been developed in whole or in part by any faculty member through the utilization of University resources or facilities, belongs to the University and shall be used and controlled in ways to produce the greatest benefit to the University and to the public and shall, at the same time, provide a corresponding benefit to the

inventor(s). Use of University office space or library facilities shall not constitute a use of University resources for this purpose.

It is possible that a faculty member may develop a patentable invention without the use of any University resources. In such a case, the faculty member is free to pursue patenting on his or her own. The inventor(s) should give notice of invention to ORS and be willing to discuss the nature and circumstances under which the invention was developed, if requested by the Faculty Research Committee.

E. Sponsored Research

If the research and development work related to any University invention is financed jointly by the University and one or more third parties or solely by one or more third parties, whether such parties are agencies or departments of the United States, or are other entities, the University and the Principal Investigator will confer with such third party or parties in order to arrive at a mutually satisfactory agreement as to ownership, licensing, royalties, and use of the invention. Funded faculty members shall be bound by agreements with third party sponsors, and such agreements shall govern to the extent that they conflict with this Appendix.

F. Disposition of Inventions

The Faculty Research Committee and the inventor(s) may agree to use a person, agency, or organization to evaluate patentable inventions and discoveries. The Faculty Research Committee shall recommend to the Director of Research the disposition of inventions and discoveries. The Director of Research, after consulting with the Provost/VPAA as necessary, shall direct that inventions and discoveries be either: (a) released outright to the inventor(s) in the event it is determined that the invention does not meet the criteria for a University invention; (b) released outright to the inventor(s) in the event it is determined that the invention does not merit or warrant exploitation; (c) released to the individual or organization sponsoring the research under which the invention or discovery was made if such action is required under the terms of the research contract with such organization or individual or is required by law; (d) assigned to one or more organizations for purposes of patenting and commercial development; (e) patented and exploited by the University; (f) patented by the University and licensed to another organization for commercialization; or (g) patented by the University and subsequently assigned to another organization.

The University will inform inventors as to its decisions regarding inventions which they have disclosed no later than sixty (60) days after the filing of the Disclosure of Invention Form.

If the invention is released to the inventor(s) so that she or he may apply for a patent at her or his own expense, the inventor(s) shall grant to the University a royalty-free, irrevocable, nonexclusive license to make or use the invention for its own non-commercial purposes. Should the University decide to abandon development of a University-owned invention, ownership will be assigned to the inventor(s), subject to the rights of sponsors and to the retention of a nonexclusive, royalty-free license to practice the invention for non-commercial University purposes.

G. Income

The inventor will receive fifty (50) percent of the net income which accrues to the University from University inventions. Income includes, but is not limited to, royalties and license fees. Net income shall mean the amount remaining after all payments or obligations directly attributable to evaluating, patenting, marketing, licensing, protecting, or administering the invention, if any, are deducted from income received by the University. In determining the use of the University's share of the proceeds, it is intended that research is a priority.

In the case of multiple inventors, the inventors' share shall be divided among the co-inventors, as they shall mutually agree at the time of formal assignment of the invention to the University. Should the inventors fail to agree mutually on a division, the Director of Research shall determine the division.

The University shall disclose to the inventor (s) how net income was determined for each invention. In the event the inventor(s) do not agree with the decision of the Director of Research having to do with ownership or disposition of or income from an invention, the inventor(s) may ask the Faculty Research Committee to review the decision. Within fourteen days after it is asked to review the decision, the Faculty Research Committee shall review all information submitted to it by the inventor and by ORS and shall make its recommendation concerning the disputed decision to the Provost/VPAA who shall make the final decision.

With regard to inventors who are full-time faculty members, this dispute resolution procedure is not intended to and does not supersede any grievance or other procedure contained in the *Faculty Handbook*. If a dispute is not resolved under this procedure to the satisfaction of the faculty member involved, the faculty member may then proceed to use any procedures available in the collective bargaining agreement.