

SAINT LOUIS  
UNIVERSITY

# SAINT LOUIS UNIVERSITY

## POLICY REGARDING INTELLECTUAL PROPERTY AND PATENTS (Excluding Copyrights)

**Policy Number: IP001**

**Version Number: 2.0**

**Classification: Technology Transfer**

**Effective Date: August 1, 2009**

**Responsible University Official: Vice Provost for Research**

### 1.0 INTRODUCTION

The faculty, staff and students of Saint Louis University (the "University"), as part of their assigned duties and scholarly activities, engage in research that may be supported in whole or in part, by the University or by research grants and contracts with Sponsors external to the University. Recognizing that many new ideas, discoveries, and inventions inevitably flow from University research to practical, commercial application, it is in the interest of the University to encourage the development of such new ideas, discoveries and inventions; to reduce these inventions to practice and practical application where resources permit; and to give adequate recognition and incentive to the inventors by having them share in the proceeds from any invention.

Accordingly, it is important that University policy define and protect the respective rights and obligations of the University, its personnel, its research sponsors, and the public relative to inventions resulting from University research. It is also appropriate and desirable that the University share equitably the proceeds from such inventions made at the University not only to recover costs and expenses associated with its intellectual properties but also to secure additional support for University researchers, improve University facilities and to reward innovative research personnel.

### 2.0 PURPOSE

The principal objectives of the University Patent Policy are to:

1. encourage creative research, innovative scholarship, and a spirit of inquiry leading to the generation of new knowledge, ideas and inventions;
2. facilitate the transfer of University-developed research results to industry for commercial development purposes;
3. provide assistance to University faculty, staff and students in assessing the patentability and commercial potential of their inventions;
4. establish guiding principles for determining the obligations and property rights of the University and inventors with research sponsors in inventions resulting from University-based research;
5. facilitate timely filing and prosecution of patent applications determined by the University or its designated representatives to be desirable;

6. facilitate commercial licensing of University-owned inventions;
7. recognize and reward the creative efforts of faculty, staff and students of the University through the realization of tangible benefits (licensed-derived income) derived from their inventions;
8. afford faculty, staff and students of the University the opportunity to further their research objectives and those of the University by disseminating the results of their work to provide maximum benefit to the public, while safeguarding Intellectual and Tangible property rights for the University, Inventors and Sponsors; and
9. promote entrepreneurship among University personnel and commercial development of the University's Intellectual Property and Tangible Property through licensing, participation in company-sponsored research collaborations, and involvement in University technology-based start-up companies.

### 3.0 PERSONNEL AFFECTED

All University employees, persons not employed by the University but who use University research facilities, and those who received gift, grant or contract funds for research through the University are subject to this policy. All student and graduate assistants, fellows, associates, assistants, etc., with or without monetary compensation, working on any project under the direction and control of the University, shall be subject and responsive to this policy to the same extent as a regular employee.

### 4.0 DEFINITIONS

1. **Institutional Unit** means and includes, without limitation, a separately budgeted college, institute or administrative unit of the University.
2. **Intellectual Property** as covered by this Policy means discoveries, Inventions, Patents and patent applications, Trademarks, know-how, methods, and procedures. Copyrights and copyrightable material are covered in a separate policy.
3. **Intellectual Property Assignment** means a formal written agreement executed by and between University Personnel and the University in which University Personnel assign(s) to the University all of his/her/their right, title and interests in a discovery or invention resulting from research conducted at the University using the University's facilities. Assignment of Intellectual Property and Tangible Property rights to the University by University Personnel is required by Federal Agencies that fund academic research.
4. **Invention** means any novel and demonstrably useful technical innovation or discovery made by University Personnel during research conducted at

the University which meets the requirements for patentability under patent law. This can include a product, method, apparatus or composition, including living matter, such as genetically engineered microorganisms, animals and plants. Purely mental processes, newly discovered laws of nature and methods of doing business are not a proper subject matter for a patent. They may be covered by a separate copyright policy, however.

5. **Invention Disclosure** means a confidential, complete and accurate description of an Invention completed by the Inventor working at the University and submitted to the Office of Innovation and Intellectual Property for evaluation.
6. **License** means the rights to make, use, sell and distribute commercial products that are based on the University's Intellectual Property and/or Tangible Property
7. **License-derived Income** means cash, equity, and other types of valuable considerations received by the University in exchange for a commercial license.
8. **Net License-derived Income** means the gross revenues received by the University from the commercial licensing of University Intellectual Property and Tangible Property less any and all expenses paid by the University including, without limitation, all patent-related costs; legal defense and enforcement action costs; and marketing and licensing costs for said University Intellectual Property and Tangible Property.
9. **Office of Innovation and Intellectual Property** means the research support and administrative office of the University that serves the Main Campus and the Medical Center in matters relative to Intellectual Property, Patents, Licenses, and related items.
10. **Research Sponsor** means any entity that provides research funding to the University for use by University Personnel, including but not limited to, individuals, government agencies, companies, trade associations, and research foundations.
11. **Tangible Property** means any composition of matter developed by University Personnel at the University as part of research studies, including but not limited to, genetically modified living organisms (i.e., animals, plants, micro-organisms), biological materials, nucleic acids, peptides, laboratory reagents and devices.
12. **Trademarks** means a distinctive mark of authenticity, such as words, letters, symbols or designs identifying the source producer or distributor of goods and services.
13. **University** means Saint Louis University located principally in St. Louis, Missouri.

14. **University Confidential Information** means any and all know-how, research findings, methods, procedures, processes, or any other knowledge held in any form whatsoever, which is owned by the University (either directly or through assignment to the University by University Personnel) and has not been publicly disclosed by a properly authorized representative of the University.
15. **University Facilities and Resources** means any and all buildings, laboratories, classrooms, equipment, supplies, financial and other support and/or services which are owned by the University.
16. **University Intellectual Property Committee** means a Committee of the University responsible for advising the Vice Provost for Research on all matters regarding University patents, copyrights and other intellectual property. (See Section 8.B).
17. **University Personnel** as covered by this policy means all University employees, persons not employed by the University but who use University research facilities, and those who received gift, grant or contract funds for research through the University. All student and graduate assistants, fellows, associates, assistants, etc., with or without monetary compensation, working on any project under the direction and control of the University, shall be subject and responsive to this policy to the same extent as a regular employee. A waiver of applicability of this policy may be granted by the Vice Provost for Research in the case of an adjunct faculty member who is not compensated by the University and who, as a condition of employment elsewhere, must assign patent rights or grant an exclusive license to his or her employer.

## 5.0 POLICY

The rights and obligations of the University, its personnel and sponsors regarding inventions resulting from University research or other scholarly activities, and the ownership and disposition of the property rights to these inventions, are defined by the following categories:

- A. **Externally Sponsored Programs** — The rights of University Personnel who are subject to the terms of a sponsored research project or other agreements are determined in accordance with the terms of the research agreement with the external Sponsor and the current University Policy as described in the Faculty Manual.
  1. **Government-sponsored Programs** -- The University will comply with all applicable regulations and requirements of any government sponsored activity at the University. The University Research Offices will be responsible for apprising University personnel of such regulations and requirements. To the fullest extent permitted by government regulations and requirements, the University is the owner by assignment of any Inventions conceived or actually reduced to practice in the performance of work by University

Personnel whose research at the University is sponsored by any government agency.

2. Private, Industrial, Foundation and Other Non-Government Sponsored Programs — Subject to the Research Sponsor's agreement, all Inventions developed in the course of research performed at the University supported by non-governmental Sponsors shall be assigned to and become the property of the University. The University will, consistent with this Policy, be responsible for evaluating the patentability of such Inventions and, as appropriate, on a case by case basis, for securing intellectual property protection.

B. **University Sponsored Programs** -- Inventions by University Personnel resulting from University sponsored research or involving the use of University facilities and/or resources, but without any University obligations to others in connection with such support, shall be assigned to the University by the University Personnel and shall be the property of the University.

C. **Inventor-Funded Research** -- Inventions which the inventor can clearly demonstrate result from research or other work conducted wholly on the Inventor's own time and without the use of University facilities and/or resources are the property of the Inventor. The University undertakes no responsibility with respect to such Inventions; however, the Inventor may assign the Inventor's interest in the Invention to the University, subject to the University's acceptance of such assignment. In the event of an accepted assignment, the invention will be managed as a University-sponsored Invention under this Policy.

1. It is the responsibility of the Inventor to demonstrate to the University Intellectual Property Committee that University facilities were not involved in any Inventor-retained invention. The University will not construe the payment of salary, nor the provision of office or library facilities as constituting use of University facilities; however, any assistance that is more than incidental assistance provided by one or more faculty, staff or students to an Inventor specifically pertaining to the Invention will constitute use of University Facilities.
2. University Personnel engaged in consulting or business activities must ensure that their agreements with other parties do not conflict with this or any other University Policy or with the University's commitments to external Sponsors. University Personnel must make clear to those with whom they make such agreements their obligations to the University, and should apprise other parties of the terms of this Policy. The University's rights and the employee's obligations under this Policy will in no way be abrogated or limited by the terms of such third party agreements.

## 6.0 PATENT DEVELOPMENT PROCEDURES

- A. Inventors shall transmit a Confidential Invention Disclosure describing their Invention to the Office of Innovation and Intellectual Property on forms provided for that purpose by the Research Offices. To safeguard the rights of the Inventor(s) and the University, University Personnel are encouraged to contact this Office with any questions and to disclose their Inventions ideas in a timely manner prior to public disclosure. Failure to make a timely confidential Invention Disclosure may significantly compromise the patentability of an invention and result in the loss of domestic and/or foreign patent rights and business opportunities.

All original research data, notebooks, laboratory records and other documents relating to University Inventions shall be the property of the University, unless otherwise disposed of in accordance with this Policy. The Inventor may retain a copy of such information.

- B. In addition to the execution of the Invention Disclosure, University Personnel shall also execute such assignments, waivers, and other documents that the University may require for reporting to government agencies, securing Intellectual Property protection and/or commercial exploitation of said Invention. When the University elects to undertake patenting and licensing of said Invention, the University Personnel who developed the Invention will share in the Net Licensed-derived Income from the patent in accordance with the terms and conditions of this University Policy.
- C. Upon receipt of an Invention Disclosure, the Office of Innovation and Intellectual Property will evaluate the disclosure to determine the Inventor(s) for the disclosed Invention. If agreement on Inventors cannot be determined, the Office of Innovation and Intellectual Property will promptly forward the matter to the Vice Provost for Research who will convene and confer with the University Intellectual Property Committee as needed.

The University shall make its decision within 60 days following receipt of an Invention Disclosure concerning whether or not it wishes to file a regular or provisional patent application.

- D. If the Invention is accepted by the University for patenting, the Invention shall also be accepted for commercialization on a best efforts basis. The Inventor(s) shall provide to the Office of Innovation and Intellectual Property such additional information or materials as he may request in support of patent application and prosecution.
- E. In those cases in which the University elects not to file an application for a patent and in which the University has no obligation to any external sponsors, the Inventor may request transfer of the entire right and title to

said Invention to the Inventor after the 60 day period. This request must be made in writing and directed to the Vice Provost for Research. The Vice Provost for Research will either grant the request or advise the Inventor of the University's plan to seek patent protection and/or licensee(s) for the Invention.

- F. In those cases in which the University has sought and obtained patent protection without any obligation to external Sponsors, and no licensing arrangement has been made for commercial development within a three (3) year period after the issue date of the patent, the Inventor may request assignment of the entire right, title and interest in said Invention be made by the University to the Inventor(s). This request must be made in writing and directed to the Vice Provost for Research. The Vice Provost for Research will either grant the request or advise the Inventor of the University's plans for commercial development of the subject Invention. If the assignment request by the Inventor is granted, the University shall retain a five percent (5%) interest in the Inventor's share to recover costs incurred in securing Patent protection. The University will retain a non-exclusive, royalty-free license to practice the Invention for its own academic research purposes. In exploiting or developing any such released Invention, the Inventor shall not use University facilities, resources, and/or the name of the University.
- G. University Personnel involved in University research will execute at the time of grant/contract submission an Intellectual Property and Tangible Property Assignment agreement for any Intellectual Properties that may be developed by them during that sponsored research project.

#### **7.0 DISTRIBUTION OF PROCEEDS FROM TANGIBLE PROPERTY AND INTELLECTUAL PROPERTY**

- A. All revenues derived from licensing University-owned Tangible Property and Intellectual Property will be received and administered by the Office of Innovation and Intellectual Property. The Net License-derived Income shall be distributed according to the schedule shown below.
1. Schedule of Net License-derived Income Distribution:
    - 40% to the Inventor
    - 15% to the Inventor's Department(s)
    - 15% to the Inventor's College(s) or Institutional Unit(s)
    - 30% to the respective Research Office for Intellectual and Tangible Property activities
  2. For the purposes of this Section, the Net License-derived Income distribution shall be divided among or between the institutional units, unless the University is provided with an alternative royalty distribution schedule agreed upon by the heads of the respective units and the Vice Provost for Research in consultation with the Provost.

3. In the event a University department or school ceases to exist, the distribution of the department's or school's funds shall be determined by the Provost or his or her designee.
  4. When license-derived income is in the form of equity (stock) interest in a company, distribution of equity will be made between the Inventor(s) and the University in equal shares at the time the equity is transferred to the University, provided the Inventor has no conflict of interest. The Office of Innovation and Intellectual Property will share with the inventor's Institutional Unit(s) the income generated by its equity interest at the time said shares, or portion thereof, are liquidated.
  5. When more than one Inventor is involved in making an Invention, the responsibility for determining the relative license-derived income distribution among the inventors rests with the Inventors. If the Inventors can not reach an agreement among themselves, the Office of Innovation and Intellectual Property shall make a recommendation. In any event, the Inventors shall provide the University with a written income distribution schedule signed by all of the Inventors before the University files the patent application. The University assumes no responsibility or liability in disputes among Inventors concerning license-derived income sharing among the Inventors.
- B. Other Considerations -- The right of an Inventor to receive license-derived income hereunder shall extend for the term of the last to expire patent covering the Inventor's Invention or the period of time that licensed income-bearing products based on the Inventor's Invention are made or sold, whichever is longer. This right may be assigned or bequeathed by the Inventor. The Inventor's personal share shall survive termination of affiliation with the University and, in the event of death of the Inventor, shall inure to his/her estate.
- C. University Research Enhancement Fund -- Net License-derived Income allocated to the Office of Innovation and Intellectual Property will be used to support the Intellectual Property activities of the office. After the close of each fiscal year, the Vice Provost for Research will determine the amount of excess funds, if any are available. All excess funds will be transferred to support a University Research Enhancement Fund. This fund will be used to encourage new research projects and to assist research activity in areas where funding is less available or where commercial success has not yet been achieved. Applications for use of these funds require the approval of the departmental chairperson and the Dean or Director of the Institutional Unit prior to submission to the Vice Provost for Research. The Vice Provost for Research shall make recommendations for funding to the Provost, who shall have final approval. The Office of Innovation and Intellectual Property shall provide an annual report of the activities of the University Research Enhancement Fund. The schedule of Net License-derived Income Distribution, as it applies to the distribution



among departments, colleges or institutional units and the Office of Research and Intellectual Property, shall be reviewed biennially by the University Research Advisory Committee and the Council of Academic Deans and Directors.

## **8.0 ADMINISTRATION**

- A. Vice Provost for Research shall be responsible for the administration of the Saint Louis University Intellectual Property and Tangible Property Policy.
- B. A University Intellectual Property Committee shall make recommendations to the Vice Provost for Research on matters regarding University Intellectual Property management.
  - 1. The University Intellectual Property Committee shall consist of two (2) members of the faculty appointed by the Faculty Senate, one (1) member from Main Campus and one (1) member from the Medical Center campus appointed by the Provost. In addition, a Chairperson of the Committee shall be appointed by the Provost. At least 3 members of the Committee must be selected from the full-time, tenure-track faculty engaged in sponsored research activities. A representative from the Office of Innovation and Intellectual Property will serve as ex officio member.
  - 2. Members of the University Intellectual Property Committee shall serve for no more than two successive terms of two years each. The members appointed by the Faculty Senate shall be appointed in alternate years; the Frost campus member shall be appointed in an odd-numbered year, while, the Health Sciences Center member shall be appointed in an even-numbered year. The Chairperson of the Committee shall serve for no more than two successive terms of three years each.
- C. All appeals and disputes relating to the University's Intellectual Property and Tangible Property, and/or Inventions shall be forwarded in writing to either Vice Provost for Research. Appeals and disputes shall be initially reviewed by the University Intellectual Property Committee which shall make its recommendation to the Vice Provost for Research 60 days after receiving the dispute. The Vice Provost for Research shall make a final determination concerning an appeal or dispute the dispute within 30 days after receiving the Committee's recommendation.
- D. No assignment of rights, transfer of ownership, license, or any other contractual arrangements concerning the disposition of University owned Intellectual Property and Tangible Property and Know-How may be entered into except by the signature of the Vice Provost for Research.
- E. The Provost shall make available to the Office of Innovation and Intellectual Property sufficient resources to support its evaluation of

Invention Disclosures securing and maintaining Intellectual Property rights, protecting confidential University information and licensing of University Intellectual Property and Tangible Property including Know-How for commercial product development and research use.

- F. Only the President, Provost or Vice Provost for Research or his/her designee may commit University funds for patent development.
- G. This Policy shall be subject to review every three years or as determined by the Provost.

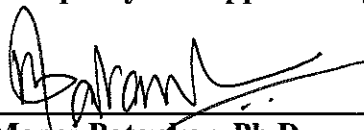
#### REFERENCES

*Saint Louis University Faculty Manual*  
Saint Louis University Patent Policy dated December 2, 1998

#### APPROVAL SIGNATURES

This policy was developed by: Carole Knight

This policy was approved by:



Manoj Patankar, Ph.D.  
Interim Provost  
Saint Louis University

Aug 1, 2009  
Date

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