

## Appendix H: University Intellectual Property Policy

### *Preamble*

Lawrence Technological University (LTU) seeks to support its faculty members and students in their research, scholarly and creative activities. Lawrence Technological University is dedicated to education, research, the creation of knowledge and the dissemination of that knowledge. The University seeks to foster an academic environment that promotes the creation and distribution of scholarly and creative work. The University's infrastructure, resources, and other support of those activities enhance its educational programs, attract high achieving students and faculty, and can develop supplemental revenue. Lawrence Tech has enacted this Policy to create an intellectually stimulating environment through fostering the creation, development, publication and commercialization of new or improved knowledge and creative works while providing mutually beneficial rewards to the creators of such technology and Lawrence Tech.

### *Definitions*

#### **Materials or Copyrightable Materials**

“Materials” or “Copyrightable Materials” include any original work of authorship reduced to fixed tangible medium that is subject to copyright law. “Copyright” is the ownership and control of the intellectual property in the original works of authorship, which are subject to copyright law. Copyright law provides the right to copy, to distribute and to produce derivative works.

#### **Technology**

The term "technology" as used in this Policy shall be construed broadly to include technical innovations, inventions, integrations, discoveries, compositions, computer software, processes, algorithms, know-how and any other tangible or intangible item where rights associated with such item may be in the form of intellectual property.

#### **Institutional Works**

“Institutional Works” includes Materials that are 1) created at the specific direction or request of the University for a specific University purpose, 2) created as part of a project involving a grant or contract sponsor, 3) works made for hire or 4) created as part of a project involving other third parties with whom the University has entered agreements concerning copyright ownership. Institutional works also includes a work that has been created by a direct allocation of University funds or is created using significant University resources, e.g., non-faculty employees working within the scope of their employment with the University.

## Lawrence Technological University – Request for Institutional Change

### Academic Works

“Academic Works” includes artistic, scholarly, and learned materials, whether traditionally, electronically or otherwise published, created by faculty and/or by students in the course of their educational endeavors that are not patentable. This also includes “like-kind” works such as papers, reviews, articles, theses, dissertations, scholarly papers, abstracts, monographs, treatises, in-person presentations made at scholarly meetings, non-fiction and fiction books and writings, textbooks, musical and other artistic compositions, software, and all other works of artistic or scholarly creation which are not institutional works or were not created using significant University resources.

### Significant and Incidental Use of University Resources

“Significant University Resources” includes a direct allocation of University funds or use of specialized equipment either of which is significantly greater than or different from that ordinarily available for creation of academic works. The term also includes substantial contribution by non-faculty employees working within the scope of their University employment. Significant University Resources in connection with academic works do not include the incidental use (as defined in unit-based protocols approved by the University) of University facilities, support staff and related resources, to the extent that in the school or college at issue, those resources are customarily available for the use of regular faculty members’ academic activities, such as:

- use of University computers and other standard equipment and facilities of the unit
- use of clerical and other support staff and related resources
- faculty development leaves or research stipends; and,
- use of student research assistants working for compensation.

“Incidental use” is defined by the college protocol. “More than incidental use of University resources” for purposes of this Policy includes specialized, research-related facilities, equipment or supplies, provided by the University for academic purposes. It also includes significant use of “on-the-job” time. However, “more than incidental use of University resources” does not include routinely available, office-type equipment, including desktop computers and commercially available software; reference materials or other resources collected at the University.

### Course

For this policy, “Course” is defined as an organized body of information used for educational instruction and includes the expression in reproducible form of all instructional materials and presentations made by faculty member(s) or other instructors responsible for delivering the instructional material. A “Course” includes any on-site or distance-learning course, a course delivered synchronously or asynchronously by traditional or electronic means, and courseware that is a combination thereof.

## **Lawrence Technological University – Request for Institutional Change**

### **Patents and Inventions**

University policy utilizes the definition in law for patents and inventions and other related terms. For example, the law defines a patent as a novel and useful idea relating to processes, machines, manufactures, and compositions of matter. A patent may purport to cover new or improved devices, systems, circuits, etc. It is probable that an invention is made when something new and useful is conceived or developed, or when unusual, unexpected, or non-obvious results are acquired.

### ***Copyright Policy***

#### **Articles, Artistic Works, Scholarly Books and “Like Kind” Works**

The University will not claim copyright in academic works authored by University employees or students unless specifically provided otherwise in this Policy or unless they are compensated extra for the work or provided release time from teaching to perform the work.

University employees who create academic works shall have the right to claim copyright therein and are encouraged to do so by notice as provided in this policy.

The University shall have, as a condition of its award of academic degrees, the royalty-free right to retain, to copy, to produce derivative works, and to use and distribute a limited number of copies of theses, dissertations, and related material, together with the right to require its publication for archival use or for educational-related purposes.

#### **Institutional Works**

The copyright to Institutional Works remains with the University.

#### **Courses**

The University solely owns the copyright of all courses taught in the University curriculum.

The faculty as defined in the Faculty Handbook holds the copyright to the components of courses (lecture notes, slides, handouts, electronic presentations, demonstrations, case books, etc.) that are the product of a faculty member’s efforts and are used to fulfill the educational objectives of courses.

A full time faculty member who remains employed in a full time capacity by the University must obtain written approval from the dean of the school or college before that faculty member may use “significant” components of courses for the delivery, at any other educational institution or in any other educational program, of a course that is similar to any course taught at the University.

## **Lawrence Technological University – Request for Institutional Change**

Components of courses prepared by one faculty member may be used by another faculty member teaching at the University. Appropriate attribution should be included and the member who originally prepared the materials should be given the opportunity to update or correct those materials if a timely request is made to do so.

### **Visiting Scholars and Part Time Faculty**

Unless specified otherwise and approved in writing by the appropriate dean of the school or college in advance, visiting scholars and part time faculty will be subject to the same provisions of this policy and unit protocols as regular University faculty during the period they are associated with the University.

### **University Obligations to External Entities**

This Policy does not restrict the University in satisfying its contract obligations to grant or contract sponsors or other third parties with whom the University has entered into agreements for research, software, and licenses.

## ***Technology Policy***

### **General**

The research and teaching mission of the University takes precedence over patent considerations. While the University recognizes the benefits of patent development, it is most important that patent considerations or personal financial interests not substantially determine the direction of University research.

All patented inventions, and all potentially patentable inventions, which have been for the first time reduced to practice or conceived in whole or in part by members of the University faculty or staff (including student-employees) of the University in the course of their University responsibilities, or with “more than incidental use” of University resources, shall be disclosed in writing to the University Provost through the Dean of the College. Title to such inventions shall be assigned to the University who shall be the sole owner.

The University shall share royalties from inventions assigned to the University with the inventor(s) according to the University royalty policy presented in section 5 of this policy.

The inventors acting collectively where there is more than one, and the University are free to place their inventions in the public domain if they believe that would be in the best interest of technology transfer and if doing so is not in violation of the terms of any third-party agreements that supported or are related to the work.

If the University cannot, or decides not to, proceed in a timely manner to patent and/or license an invention, it may in writing executed by the Provost reassign ownership to the inventors upon

## **Lawrence Technological University – Request for Institutional Change**

request, to the extent it may lawfully do so under the terms of any third party agreements that supported the work.

The University may issue supplemental policies regarding ownership of potentially patentable inventions created or discovered with “more than incidental use” of University resources by students when not working as employees of the University, by visiting scholars and by others not in the University's employ. In addition to faculty and staff (including student-employees), the provisions of the University's patent policy will extend to all graduate students and postdoctoral students/fellows, all non-employees who participate in research projects, all of whom must execute a Lawrence Technological University Copyright and Patent Agreement as a condition of the relationship with the University.

Technology arising from research financed by the U.S. Government is controlled by the terms of the applicable grant, contract, law or regulation. Lawrence Tech is obligated to report to the appropriate government agency all such technology for definition of the government's rights and interests. In cases where the government claims no patent rights or waives its rights, this Policy will control, subject to such limitations as the government may impose.

Technology resulting from research or contracts sponsored by local or state governments, or nongovernmental entities is controlled by the terms of the applicable research agreement or grant and this Policy.

### **Disclosures of Inventions**

An invention disclosure is a document that provides information about the inventor(s), what was invented, circumstances leading to the invention, and facts concerning subsequent activities. It provides the basis for a determination of patentability and the technical information for drafting a patent application. An invention disclosure is also used to report technology or other know-how that may not be patentable but is protected by other means such as copyrights, such as certain software.

Inventors must prepare and submit to the Dean of their College on a timely basis an invention disclosure for each potentially patentable invention that has been conceived or first actually reduced to practice in whole or in part in the course of their University responsibilities or with more than incidental use of University resources. This includes any and all technology related to actual or anticipated business interests of the University. The University will reasonably consider whether an invention has potential for commercial marketing. If such commercial potential exists, the invention should be considered "potentially patentable," and the University will determine and communicate the University position regarding the technology.

### **Licensing**

The University encourages the development by industry for public use and benefit of inventions and technology resulting from University research. LTU recognizes that protection of proprietary rights in the form of a patent or copyright are appropriate to induce a company to risk the investment of its personnel and financial resources to develop the invention. In some cases an

## Lawrence Technological University – Request for Institutional Change

exclusive license may be necessary to provide an incentive for a company to undertake commercial development and production. Nonexclusive licenses allow several companies to exploit an invention.

### **Publications**

Creators should be aware that a nonconfidential disclosure, such as publication, or even a disclosure to students not involved in the research, prior to the filing of a U.S. patent application is a bar to the grant of certain foreign patents and can bar the grant of a U.S. patent if such disclosure occurred a year earlier than the filing date.

### **University Obligations to External Entities**

This Policy does not restrict the University in satisfying its contract obligations to grant or contract sponsors or other third parties to whom the University has entered into agreements for research, software, and licenses.

This continues the University's policy that its resources are to be used to further the University's purposes.

### **Students**

When an invention or creative work involving the significant use of LTU administered resources is made by a student, the provisions of section 4 apply. In some cases LTU with the approval of the Dean, may elect to waive its rights except where the invention is subject to a sponsored research or other agreement. At the discretion of the laboratory/center director or department chair, LTU may retain a right to use such invention for purposes of education and research. Further, the University may retain additional rights to make, sell, offer to sell product from the invention. In addition, a student's rights to such invention may be subject to the terms of any financial aid received, including scholarships, fellowships, traineeships, theses expenses, or other assistance, whether or not administered by LTU. Individuals who are both staff members and students shall be considered to be staff members with respect to patentable inventions which arise during the course of employment

### ***Royalties***

In the absence of other contracts, royalty income for works for which the University holds the copyright or patent will be distributed as follows:

#### **Cash Royalties**

Income to each royalty account shall be distributed as follows:

The direct expenses of LTU allocable to investigating, evaluating, protecting and enforcing the rights to the item(s) covered by the patent or copyright, including provision for payment of future maintenance taxes or fees for any technology, shall initially be charged to the royalty account.

## Lawrence Technological University – Request for Institutional Change

After deductions for direct expenses, net royalty income will be distributed and split between the inventor and LTU using the following table as a guideline:

<b>Net Royalty Income</b>	<b>Inventor or Creator</b>	<b>LTU</b>
\$15,000	100%	0%
\$15,001 to \$85,000	50%	50%
\$85,0001 to \$999,000	40%	60%
> \$999,000	33 1/3%	66 2/3%

### **Disagreement and Resolution**

Disagreements involving royalty distribution will be reviewed and resolved by the Provost with input from the faculty member(s) and Dean.

### **Equity**

If the University obtains equity as part of a license issue fee, the value of the equity after the deductions set forth in section 5.1, above, will be divided in the same way.

### **Multiple Inventors**

In the case of multiple Lawrence Tech creators, the creators' share will be divided among the co-creators as they may mutually agree. This agreement shall be in writing, signed by all creators involved, and submitted to the Provost. Should the creators not mutually agree on a division, the University will assume all creators share equally in creation royalties. If several intellectual properties are licensed under a single licensing agreement, the Provost with consultation of the Dean will determine the share of net income to be assigned to each intellectual property.

### ***Administrative Matters***

#### **IP Policy Coverage and Inclusion**

All full and part time faculty, staff, student employees, graduate students and post-doctoral fellows, volunteer and other employees or non-University employees are covered by the Policy. They are required to execute the Lawrence Technological University Copyright and Patent Agreement. This Policy applies to them whether or not a signed agreement is on file with the University.

#### **Academic Unit Protocols**

Each College will develop and approve through its governance structure a protocol to describe how it will implement this University-wide policy. The unit-based protocol must define the following:

## **Lawrence Technological University – Request for Institutional Change**

- how the academic unit will make decisions on the unit's determination of intellectual property rights,
- what constitutes customary support and "incidental use" for faculty and staff in the unit,
- what academic works require further definition, and
- other unit-specific implementation issues of the University-wide policy.

The Provost reviews and approves each unit-based protocol to ensure conformity to the University-wide policy of intellectual property and to ensure that Unit Protocols do not inhibit inter-college collaboration.

### **Consulting Activities**

This Intellectual Property Policy does not apply to University faculty members engaged in consulting activities, non-University professional, and business activities that fall outside the "incidental use of University Resources" as defined by the Unit Protocol.

### **Works of Non-University Employees**

Works of non-University employees, including independent contractors and consultants, are considered institutional works (works made for hire), either commissioned by the University or supported by direct allocation of funds. University departments are expected to obtain a written agreement from the non-employees of the University that ownership of institutional works is assigned to the University.

### **Copyright Notice**

The University's copyright notice should appear on all materials owned by the University, e.g.: "Copyright©2001, The Board of Trustees of Lawrence Technological University. All rights reserved." College name or other identities may not be used in the copyright notice. The copyright notice of individual faculty member or members should appear on all materials owned by the faculty, e.g., "Copyright©2002, Alena P. Jones. All rights reserved." The year in which the work is initially published should be used.

### **Copyright and Patent Agreement**

A Lawrence Technological University Copyright and Patent Agreement must be signed by all individuals prior to their start date with the University and, if not, at any other time requested by the University.

### **Use of Lawrence Tech's Name**

Any use of Lawrence Tech's name in connection with the commercialization of a technology by an individual must be approved in advance by the Director of Marketing and Public Affairs for LTU. The Director of Marketing and Public Affairs will review press releases with authors/inventors for matters pertaining to accuracy and proper disclosure.

## **Lawrence Technological University – Request for Institutional Change**

### **Review Process**

This policy will be periodically reviewed by an Applied Research Task Force comprised of faculty, staff and administrators appointed by the Provost. The Board of Trustees reserves the right to periodically revise the IP policy.

### **Questions of Interpretation and Waivers**

Questions of interpretation of this policy and waivers to the policy may be addressed and granted by the Provost upon consultation of all relevant parties. All waivers and exceptions of this policy must be in writing and signed by the Provost of Lawrence Technological University.

### **Patents Held Prior To LTU IP Policy Approval**

Patents held by LTU employees prior to the formal approval of this policy and later assigned to the University by that employee shall be covered by the terms and conditions in effect at the time of assigning Intellectual Property rights to Lawrence Technological University.

### **Effective Date**

This policy shall apply to all inventions conceived or first reduced to practice on or after formal approval of the policy by the LTU Board of Trustees.

## Appendix I: University Copyright and Technology Policy Agreement

Whereas the Lawrence Technological University, a Michigan corporation hereinafter referred to as the University, has certain responsibilities to ensure that inventions, works of authorship and/or other know-how made at the University be administered for the best interest of all parties concerned, and in view of the patent policy of the University as in force at this date and as it may from time to time be amended by appropriate bodies, and in consideration of the subscribing thereto by other members of the faculty or staff, each member of the faculty hereby agree as follows:

I agree to assign and hereby do assign to the University, as its exclusive property, the entire right, title and interest in all my inventions, innovations, works of authorship or ideas developed or conceived by me solely or jointly with others at any time during the term of my employment by or contract with the University those inventions, innovations, works of authorship or ideas related to the actual or anticipated business interests of the University or resulting from or are suggested by work which I do for the University. It is understood that if the University does not wish to patent or exploit any such invention, or because of other circumstances where the equities so indicate, the University may, in its sole discretion, reassign or otherwise transfer intellectual property rights to the inventor upon written request by the inventor, subject to his/her granting royalty free license to the University or other appropriate conditions.

If the University or its nominee wishes to prosecute the patent, I further agree to supply all information and to execute all papers necessary for the purpose of prosecuting patent applications on such inventions.

Expenses for such patent applications shall be borne by the University and its nominee. However, the University reserves the right to abandon any such invention, and the prosecution of any patent application thereon, at any time and for any reason. If the University decides to abandon any such invention or patent application thereon, the University will first offer to assign or otherwise transfer the invention and patent application to the inventor subject to his/her granting a non-exclusive, perpetual, royalty-free license to the University or other appropriate conditions.

Furthermore, I agree to disclose promptly and fully to the University all matters, whether patentable or not, that I may, solely or jointly with others, develop wholly or partly in the course of any work in which I may engage covered by any government, industrial, or other private grant or contract held by the University. When called upon, I agree to execute all rightful documents and supply all information which the University, on behalf of itself or its nominee, deems necessary or helpful in order to perform its obligations under any contract.

It is understood as part of this agreement that if the University receives funds by way of royalties or otherwise for inventions assigned to it under this agreement, the University will pay annually to the inventor or heirs, a percentage of such funds after deductions for all costs paid for patenting, administration, and protection of the invention assigned.

## Lawrence Technological University – Request for Institutional Change

Said annual payment will be divided equally among the inventors or will follow a written distribution policy signed by all co-creators. In the event of any litigation, actual or imminent, or any other action to protect patent rights, the University may withhold distribution and/or deny royalties until resolution of the matter.

Royalties will be shared as presented in Section 5 of *Policies Related to Intellectual Property*. The University may further develop a policy on distribution of its royalty revenue with an emphasis on enhancing applied research.

University Faculty

Signed \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_ Department \_\_\_\_\_