

**Section:** 50.3.14

**Section Title:** Legal Matters

**Policy Name:** Legacy UMDNJ policies associated with Intellectual Property: Patents

**Formerly Book:** 00-01-05-30:05, Former Policy 90.4.1

**Approval Authority:** President of Rutgers University

**Responsible Executive:** Vice President for Research and Economic Development

**Responsible Office:** Office of the Vice President for Research and Economic Development

**Originally Issued:** 7/1/1987

**Revisions:** 11/8/2010, 7/1/2013, 7/17/13 (Policy renumbering)

**Errors or changes?** Contact: [policies@hr.rutgers.edu](mailto:policies@hr.rutgers.edu)

1. **Policy Statement**  
The policy covers Copyright Policies for employees who are employed within positions.
2. **Reason for the Policy**  
To provide guidelines to assist departments/units around university Patent Policies.
3. **Who Should Read This Policy**  
Under the direction of the Executive Vice President for Academic and Clinical Affairs, the Vice President for Research shall ensure compliance with this policy. The Director of Patents and Licensing shall implement this policy
4. **Related Documents**
5. **Contacts** - Vincent Smeraglia, Office of Innovation and Technology Commercialization, (732) 235-9356, ext. 3021, Patrick Sinko, Office of Research Advancement, (732) 445-3831, ext. 213
6. **Policy:**

### **50.3.14 LEGACY UMDNJ POLICIES ASSOCIATED WITH INTELLECTUAL PROPERTY: PATENTS**

#### **I. PURPOSE**

To set University policy on patents and inventions that:

- fosters a University environment conducive to research, education and the generation of new knowledge;
- facilitates the development and transfer of technology for public use and benefit;
- provides recognition to and shares financial benefits of inventions with inventors;
- complies with the requirements of research grants, awards and contracts; and

- supports University research facilities and programs by means of income derived from royalties.

## II. ACCOUNTABILITY

Under the direction of the Executive Vice President for Academic and Clinical Affairs, the Vice President for Research shall ensure compliance with this policy. The Director of Patents and Licensing shall implement this policy.

## III. APPLICABILITY

- A. All University personnel including, but not limited to, members of the faculty and staff holding appointments at or employed by the University, persons holding any form of research appointment, visiting professors and visiting scientists with or without salary, all students of the University (including postdoctoral appointees), all 100% coterminous faculty, and all volunteer (unpaid) faculty, volunteer non-faculty staff and interns.
- B. In the event that any person to whom this policy shall ordinarily apply is subject to an agreement or policy elsewhere under terms that prohibit assignment of patent rights to the University, it shall be the obligation of that person to so inform the Vice President for Research, through his/her academic supervisor, before entering upon a program of study at, entering the employment of, accepting any form of support from, or using the facilities of the University. Upon such notification, the University will enter into a specific, written agreement respecting the rights and obligations of each involved party in regard to patentable discoveries. In the absence of such written agreement, the provisions of this policy shall apply.

## IV. DEFINITIONS

- A. **Intern:** An individual who is placed in a University school or operating unit for a limited time period for the purpose of gaining exposure to, and experience in, a field of study or career of his/her interest.
- B. **Invention:** A process, method, discovery, device, composition of matter or other creation that reasonably appears to qualify for protection under the United States patent law, whether or not patented at any time under the federal Patent Act as now existing or hereafter amended or supplemented. An invention may be the product of a single inventor or a collaboration of a group of inventors.
- C. **Licensing income:** All income arising from the licensing, sale or assignment of inventions, materials, products and patents.
- D. **Patent management organization:** A corporation or foundation that may be designated as the University's agent in the handling of certain patent matters.
- E. **Scope of employment:** All activities in the field, discipline or area of principal competence for which an individual is employed by the University, or in the individual's job description, including the general responsibilities of faculty to teach, conduct research and other scholarly activities, provide clinical care, and perform community, School and University service.
- F. **Sponsored research agreements:** Grants, contracts, cooperative agreements and other agreements under which research or development activities will be carried out, or other agreements administered by the University that relate to intellectual property created under the agreement.
- G. **University resources:** University funds, facilities, materials, equipment, services and personnel.

## V. REFERENCES

- |    |                                   |         |
|----|-----------------------------------|---------|
| A. | Investigator Conflict of Interest | 90.2.5  |
| B. | Code of Ethics: General Conduct   | 60.4.2  |
| C. | Outside Employment                | 60.9.21 |

## VI. POLICY

### A. Ownership of Inventions

1. The University shall own all domestic and foreign rights in and to any and all inventions made or developed by persons subject to this policy either in the scope of employment by the University or through the use of University resources.
2. All persons subject to this policy are required to assign their individual rights to inventions, discoveries, improvements and reductions to practice to the University, including, without limitation, United States and foreign patent rights and the right to claim priority under the terms of any international agreement.

### B. Joint Inventions with Outside Inventors

1. Where an invention covered by this policy has been developed jointly with individuals not covered by this policy, the terms of any existing contractual agreement between the University and the non-University inventors will govern. If no agreement exists or the terms of the existing agreement are not complete, an agreement regarding patent rights and obligations shall be negotiated by the Director of Patents and Licensing with the co-inventor(s) or the pertinent institution or corporation.
2. University employees who, through allowable consulting activities, are required to enter into agreements concerning intellectual property shall not assign to others rights to any invention or discovery that was conceived or reduced to practice in whole or in part using University resources. When working as an outside consultant, University employees must comply with the University policies, Outside Employment, 60.9.21 and Code of Ethics: General Conduct, 60.4.2.

### C. Externally Sponsored Work

1. Ownership of patents arising from federally sponsored research shall be governed by Public Law 96-517, the Bayh-Dole Act as amended (which enables universities to retain right, title and interest to and to license inventions made in performance of federally funded programs), other applicable law, and the provisions of this patent policy.
2. All inventions or disclosures thereof resulting from research funded by other (i.e., non-federal) external sponsors shall be owned by the University; specific provisions and restrictions contained in contracts and agreements with these sponsors must receive prior review and approval by the University in accordance with University policies.

### D. Administration of Patents

1. The University's Office of Patents and Licensing shall be responsible for providing information and assistance on patent matters to inventors, and for managing the patenting and licensing of inventions under this policy after consultation with inventors.

2. The Director of Patents and Licensing shall constitute and chair an Intellectual Property Committee (IPC) comprising faculty members representing all the pertinent Schools of the University. Members of the IPC shall be selected by the Director of Patents and Licensing with approval of the Research Deans. The IPC may, at the request of the Director of Patents and Licensing, review invention disclosures and advise the Director concerning submission of patent applications.

## VII. PROCEDURES

### A. Disclosure of Inventions

1. All persons subject to this policy shall promptly and fully disclose to the Director of Patents and Licensing all inventions covered by this policy on the University's invention disclosure form (see EXHIBIT).
2. The disclosure shall be signed by all individuals involved in the discovery or development of the invention.
3. Inventions and discoveries, including improvements and reductions to practice, must be disclosed to the University in accordance with this policy before public disclosure is made by publication, presentation, or any other medium, and prior to discussion with a third party. Moreover, disclosure must be made to the University far enough in advance of public disclosure to permit timely filing of a patent application in the United States and in foreign countries. Copies of any manuscripts containing descriptions of unpatented inventions shall be submitted to the Director of Patents and Licensing prior to submission for publication.
4. Where there is any question as to whether an invention is covered by this policy, the invention must be disclosed through the usual mechanism, described above, with a request for determination of whether the invention is subject to this policy. In cases where the inventor seeks to establish that an invention is not covered by this policy, the burden of proof shall be with the inventor.

### B. Patent Protocol

1. The Director of Patents and Licensing shall acknowledge receipt of invention disclosures in writing within seven (7) calendar days of receipt by the Office of Patents and Licensing.
2. Within three (3) months of their receipt by the Office of Patents and Licensing, disclosures will be evaluated for patentability and licensing potential and the inventor will be notified in writing of the University's decision whether or not to pursue patent protection. If the University decides to pursue patent protection, an application will be filed no later than one (1) year from the date of the receipt of the disclosure by the Office of Patents and Licensing. If the University decides not to pursue patent protection, or if the University does not file an application within one (1) year from the date of the receipt of the disclosure, rights to the invention in the disclosure will be released to the inventor upon the inventor's written request. However nothing in this section will preclude an inventor from re-submitting an invention disclosure together with additional data.
3. The University may, at its sole discretion and under terms it deems appropriate:
  - a. undertake the timely filing of patent prosecution, development and marketing of the invention, and shall bear all related costs;
  - b. seek support for the costs of patent prosecution through a licensing or other agreement;
  - c. at any time, and notwithstanding any previous decision to file a patent

application or otherwise protect or commercialize an invention, elect to release to the inventor all rights to the invention, unless such rights revert to the sponsor of the program or to the federal government. In every case, the University will retain a non-exclusive, royalty-free license to practice the invention for internal non-profit University purposes.

4. The University may, with the written consent of the inventor, assign the domestic or foreign patent rights, or both, to a patent management organization.

C. Distribution of Licensing Income

1. To recognize the creativity of inventors and to provide incentive for them to engage in the disclosure, patenting and marketing of their inventions, licensing income received by the University will be shared with inventors as additional compensation over and above all other forms of University compensation according to the schedule presented below; or inventors will be allowed, in accord with the University's Code of Ethics policy and where due consideration has been given to Conflict of Interest and Outside Employment policies, to seek financial recognition for their invention through an equity interest in a company that licenses the technology.
2. The University reserves the sole right to enter into licensing agreements for inventions, discoveries, improvements, reductions to practice and related intellectual property. These agreements may include terms, such as non-exclusive, royalty-free, and assumption of responsibility for prior and future patent prosecution expenses, that could influence or even obviate licensing income.
3. In the case where the invention has been assigned to a patent management organization, any share of income to the patent management organization will be deducted before revenues for distribution are calculated.
4. Formulas for Distribution of Licensing Income:
  - a. Where the inventor has no equity interest or an equity interest of 10% or less of outstanding shares in a company that licenses the invention:

15% to the University Patent Fund (to support the Office of Patents and Licensing),  
35% to the inventor,  
50% to the University, as follows:

half (25% of total) to the School or Unit, which shall utilize its distribution at the discretion of the pertinent Dean or Vice President, and

half (25% of total) to the inventor's department. Primary consideration in the allocation of these funds shall be given to the support of the inventor's research, with the approval of the pertinent Dean or Vice President.
  - b. Where the inventor has an equity interest or fiduciary responsibility in the company licensing the invention that exceeds 10% of outstanding shares (determined at the time of licensing the Invention):

40% to the University Patent Fund (to support the Office of Patents and Licensing)  
60% to the University, as follows:

half (30% of total) to the School or Unit, which shall utilize its distribution at the discretion of the pertinent Dean or Vice President, and

half (30% of total) to the inventor's department. Primary consideration in the allocation of these funds shall be given to the support of the inventor's research, with the approval of the pertinent Dean or Vice President.

- c. Where the inventor elects to use licensing income for support of continued research at and the inventor has no equity interest in the company licensing the invention:

15% to the University Patent Fund (to support the Office of Patents and Licensing)

50% to the inventor's research account

35% to the University, as follows:

half (17.5% of total) to the School or Unit, which shall utilize its distribution at the discretion of the pertinent Dean or Vice President, and

half (17.5% of total) to the inventor's department, which shall allocate its distribution with the approval of the pertinent Dean or Vice President.

- d. Where the inventor elects to use part of licensing income for support of continued research at and to accept a reduced personal distribution, and has no equity interest in the company licensing the invention:

15% to the University Patent Fund (to support the Office of Patents and Licensing),

32.5% to the inventor's research account,

17.5% to the inventor,

35% to the University, as follows:

half (17.5% of total) to the School or Unit, which shall utilize its distribution at the discretion of the pertinent Dean or Vice President, and

half (17.5% of total) to the inventor's department, which shall allocate its distribution with approval of the pertinent Dean or Vice President.

## VIII. EXHIBIT

Invention Disclosure Form

**EXHIBIT**

**INVENTION DISCLOSURE FORM**

**1. Title of Invention:**

Pick a title for your invention that is distinctive, but which does **not** reveal the essential details of the invention. We will use this title in all correspondence and documents, including non-confidential descriptions we circulate as part of our marketing process.

**2. Inventor Information.**

The first items are to allow us to be in touch with you during the day. The US Patent Office will list the inventors and their home addresses as part of the patent and will need the citizenship information as part of the patent application. Supply this information for each inventor. See the section in the accompanying information on A Who is an Inventor@ to determine the persons that must be listed here. A continuation sheet is attached in case you have more than three inventors.

	Inventor # 1	Inventor # 2	Inventor # 3
Name			
Employer			
Work Mail			
Work Phone			
Work Fax			
Home Address			
Citizenship			
Social Security #			
Signature			
E-Mail			
County			

**3. Brief Non-Confidential Description of the Invention.**

Please provide a description of the invention in terms that would allow a reasonably well educated person to understand the application and importance of your invention, together with limited background and scientific detail. This description should be designed to interest potential licensees, without revealing sufficient information to allow a skilled practitioner to duplicate or advance your work.

**4. Enabling Description.**

Please describe your invention in specific terms. Unlike the description above, here, you should provide a level of detail that *would* enable a skilled practitioner to duplicate your work. This description should specifically address the novel and unusual features. How does the invention differ from present technology? What problems does it solve, or what advantages does it possess? It may be efficient to submit a draft manuscript of the work. If so, it should be examined to determine that the questions asked in this section are adequately covered.

**5. Applications**

If not indicated previously, what are possible uses for the invention? In addition to immediate applications, are there other uses that might be realized in the future? Try to be as speculative as possible. The best patents are those written to protect specific markets.

**6. Disadvantages and Limitations**

Does the invention possess disadvantages or limitations? Can they be overcome? Briefly describe additional R & D that might be proposed as part of a licensee agreement.

**7. Public Disclosure Issues**

Public disclosure of the patentable material will severely compromise the coverage which can be obtained. After public disclosure, foreign patent rights are lost, and in the US, one has only one year to file for US patent coverage. In reality, for most biomedical patents, the ability to gain world-wide coverage is essential, since the market for biomedical products is global. In the space below, set out for us your publication schedule for this work. This will allow us to properly time the approach we make to the patent offices. Please include pre-prints or drafts of manuscripts when these are available.

Publication Title and Authors	Journal	Submission Date	Publication Date
Student Theses Titles	Student	Submission Date	Publication Date
Posters, Seminars, Lectures	Authors/Speakers	Abstract Published	Date of Presentation
Other Disclosures			Date of Disclosure

**8. Original Records and First Disclosure**

Are laboratory records and data available? If so, please provide dates and locations of supporting reports and lab records. What was the date on which the invention was first adequately described? Is this documented in written records? Where?

**9. Interferences**

Are there any known related patents or inventions, either by any one of the inventors or any other person? If so, please list them, and attach copies insofar as possible.

**10. Financial Sponsorship**

Was the work that led to the invention sponsored? **This must include Federal funding.** If sponsored by a company, or if unusual patent restrictions exist because of this sponsorship, attach a copy of the contract or agreement, or refer us to an appropriate agreement that may exist in our files. Please list government sponsorship as well. We do not need copies of the grant agreements in such cases. (See continuation sheet if needed.)



	Grant 1	Grant 2	Grant 3
Sponsor			
Grant ID #			
P.I.(s)			
Award Dates			
Award Amount			
Patent Restrictions?			

### 11. Transfer of Materials

Was the work that led to the invention conducted using Materials received from another institution or from an outside corporation? Were these materials transferred to the University under a Material Transfer Agreement? If so, please describe the Material Transfer Agreement below, and attach a copy of the material Transfer Agreement, if available. (See continuation sheet if necessary.)

	Material 1	Material 2	Material 3
Material Provider			
Material Provided			
P.I.(s)			
Agreement Date(s)			
License Restrictions?			
Patent Restrictions?			

### 12. Licensing Opportunities

Has any commercial interest been expressed in the invention? Do you know of any companies that might be interested in supporting research in this field or which might be interested in commercialization of this technology? Have you made personal contact with the company? Please provide the name of the company and specific contact person(s).

	Company # 1	Company # 2	Company # 3
Company Name			
Company Address			
Contact Person/Title			
Contact Phone #			
Personal Contact? Y/N			

This disclosure was received by Office of Patents and Licensing by

\_\_\_\_\_ on \_\_\_\_\_

**Additional Inventors**

	<b>Inventor # 4</b>	<b>Inventor # 5</b>	<b>Inventor # 6</b>
<b>Name</b>			
<b>Employer</b>			
<b>Work Mail</b>			
<b>Work Phone</b>			
<b>Work Fax</b>			
<b>Home Address</b>			
<b>Citizenship</b>			
<b>Social Security #</b>			
<b>Signature</b>			
<b>County</b>			

The first items are to allow us to be in touch with you during the day. The patent office will list the inventors and their home addresses as part of the patent and will need the citizenship information as part of the patent application. Supply this information for each inventor. See the section above on AWho is an Inventor@ to determine the persons that must be listed here.

**Continuation Page - Additional Grant Support**

Was the work that led to the invention sponsored? **This must include Federal support.** If sponsored by a company, or if unusual patent restrictions exist because of this sponsorship, attach a copy of the contract or agreement, or refer us to an appropriate agreement that may exist in our files. Please list government sponsorship as well. We do not need copies of the grant agreements in such cases.

	<b>Grant 4</b>	<b>Grant 5</b>	<b>Grant 6</b>
<b>Sponsor</b>			
<b>Grant ID #</b>			
<b>P.I.(s)</b>			
<b>Award Dates</b>			
<b>Award Amount</b>			
<b>Patent Restrictions?</b>			

Continuation Page - Additional Materials

	Material 4	Material 5	Material 6
Material Provider			
Material Provided			
P.I.(s)			
Agreement Date(s)			
License Restrictions?			
Patent Restrictions?			