

Brown University Patent and Invention Policy and Copyright Policy

The Corporation of Brown University approved and adopted the Brown University Patent and Invention Policy and Copyright Policy on May 27, 2005. In so doing, the Corporation affirmed and reserved the right to revoke or amend the Policy. The Policy, effective immediately, replaces the University Patent and Invention Policy approved and adopted May 30, 1981.

Guiding Principles

Brown University's Patent and Invention Policy and Copyright Policy are intended to further the University's central missions of education and the production, preservation and dissemination of knowledge. These Policies are designed to maintain the University's general philosophy regarding the open dissemination of research results and the encouragement of research and scholarship without regard to potential financial gain, while recognizing that commercialization of intellectual property is the means to achieve the maximal benefit to society of certain research. These Policies aim to assure faculty, students, and staff of fair treatment and appropriate sharing in any financial return.

1.0 The Patent and Invention Policy

1.1 Relationship between the University and Faculty, Students and Employees

1.1.0 Applicability

This policy applies¹ to faculty, postdoctoral associates, graduate students, employees, visitors and consultants, whether paid or not, who create or make any discovery or invention conceived during or developed from research conducted as a part of their University Duties, or in which all or part of the cost is paid from University funds or from funds administered by the University, or which has been developed in whole or in part through the more than incidental use of University resources. For convenience, such a person is termed a “Covered Individual.” This policy will also apply to undergraduate students who are receiving sponsored research funding and/or working collaboratively with faculty who are Covered Individuals under the policy. If more than one organization claims rights to inventions by a Covered Individual (*e.g.*, a visiting scholar at Brown, or a Brown scholar on sabbatical at another institution), Brown will consult with such organization to arrive at a mutually satisfactory division of rights and responsibilities.

“University Duties” include teaching, mentoring of students, the conduct of scholarly research and service on university committees consistent with the furtherance of knowledge and its dissemination. A faculty member’s University Duties are those that are customarily performed by those holding the position held by the faculty member as well as those that are assigned by the University. It is understood that research and intellectual endeavors of University faculty are not static, but rather are dynamic and subject to change and evolution, and therefore it is not possible to specifically demarcate when an invention or discovery might be covered by this policy without, in some cases, an examination of the facts and circumstances surrounding the development of the invention or discovery. This examination, when warranted, will be conducted by the Standing Appeals Committee which will make its recommendation to the Vice President for Research, the Provost and the President.

1.1.1 Ownership

The University shall own, on a worldwide basis, all rights in any discovery or invention created or made in the course of research carried out by a Covered Individual as defined in Section 1.1.0 above. The University shall not assert ownership rights in any discovery or invention not falling within the coverage delineated in Section 1.1.0.

¹ The new policy will apply to those covered by the existing policy with some individual exceptions – see FAQ’s.

1.1.1(i) Consulting

An invention made by a Covered Individual in the course of a written consulting agreement with an outside third party arising from work not performed at a Brown facility may be assigned to the outside third party, so long as doing so is consistent with the University's policies on Conflict of Interest and Conflict of Commitment, the invention was not made or conceived under circumstances involving more than incidental use of University facilities or resources, and the invention does not compromise Brown University's Intellectual Property Rights. If the consulting relationship does involve the use of Brown Intellectual Property, disclosure should be made to BTP who will provide assistance regarding making licensing or other arrangements for the use of the Intellectual Property in the consulting relationship with the outside third party.

1.1.1(ii) Sabbatical

Sabbaticals are granted in recognition of notable service through teaching and scholarly contributions and as an aid and inspiration to future achievement. They are intended to provide faculty opportunities for scholarly development, which contribute to their professional effectiveness and to the value of their future services to Brown University. Accordingly, faculty on sabbatical are included in this policy.

1.1.2 Disclosure

All discoveries or inventions that might be patentable must be disclosed in writing (a "Disclosure") to the Office of Brown Technology Partnerships as soon as practicable.

1.1.3 Invention Evaluation

The University, through the Office of Brown Technology Partnerships, shall evaluate Disclosures. Within three months of the receipt of a completed Disclosure, Brown Technology Partnerships will determine if it intends to apply for patent protection. If Brown Technology Partnerships determines that (i) the University has no legal obligation to participate in the licensing or patenting of an invention and (ii) the University does not desire to participate in the licensing or patenting of an invention, the University will release to the inventor(s) the University's interest in the invention as permitted by law. This release will be confirmed in writing. If there is more than one inventor, the University shall treat all inventors equally, except as otherwise determined under Section 1.1.3(i) below.

1.1.3(i) Inventive Contribution Apportionment

Inventorship, in the first instance, shall be equally apportioned among the named inventors as to each patent. If any named inventor makes a written request for a non-equal inventorship apportionment and the named inventors cannot agree on such non-equal apportionment, a binding determination on

apportionment shall be made by the Standing Appeals Committee. (See Section 1.5.1 below.)

1.1.4 Inventorship Evaluation

Inventorship is a legal determination which shall be made in the first instance by University's patent counsel, taking into consideration the comments of potential inventors and/or patent counsel retained by such inventor(s). In the event that agreement is not reached between counsels, inventorship will be bindingly decided by a mutually acceptable patent attorney. It is noted that inventorship is subject to change based on the subject matter ultimately issuing as a patent. Changes in inventorship shall be determined in the same manner as the initial determination of inventorship.

1.2 Licensing of Inventions

If the University decides to participate in the licensing of an invention, the Office of Brown Technology Partnerships, on behalf of the University, will seek to enter into appropriate business arrangements to commercialize the invention, taking into consideration the comments and concerns of the inventors. Exclusive licenses will be granted if it appears to the Office of Brown Technology Partnerships that this is the most effective way of ensuring development of the invention so that the public will benefit. Any exclusive license agreement will be drafted so as to protect against failure of the licensee to carry out effective development and marketing within a specified time frame.

1.3 Division of Royalties

1.3.1 Definition

For purposes of this policy, "Royalties" shall include running royalties, advances against running royalties, license fees, milestone payments, shares of stock or other securities issued by the licensee, and any other payments received by the University under a license agreement in consideration for licensing an invention. Royalties shall not include funds directed to additional research or governmental grants.

1.3.2 Recovery of Expenses and Support of Licensing Efforts

The Office of Brown Technology Partnerships will deduct 15% of the gross Royalties it receives as a contribution towards the costs of operating the Office for the University.

After this deduction, remaining Royalties shall be used first to offset costs directly attributable to the protection of rights to the intellectual property and to the licensing of rights. Such fees are anticipated to include fees paid or attributable to legal services, consulting services, licensing organizations and out-of-pocket costs incurred by the University. The University may also retain

reasonable Royalties as a reserve against anticipated future costs expected to be incurred that are directly associated with the invention.

1.3.3 Distribution of Net Royalties

After recovery of these expenses (see Section 1.3.2 above), the remaining Net Royalties shall be divided as follows:

	Inventor(s) Share	PI's Laboratory(ies) ² and Department(s) ³ Share(s)	University Share ⁴
Royalty Share after deduction of BTP fees and expenses (per Section 1.3.2 above)	1/3	1/3 Distributed as follows: 50%:50% PIL:DEP until PIL has achieved a cumulative and thence capped income of \$2,000,000 (two million) per license. At this point, the DEP receives the full 1/3 until DEP has achieved a cumulative and thence capped income of \$10,000,000 (ten million) per license. At this point, the 1/3 income is transferred to the University to be added to its 1/3 share	1/3

1.4 Equity

Brown University may at times accept equity as part of a licensing agreement. Net Equity, that is the value of equity after the deduction of 15% to support the Office of Brown Technology Partnerships and any further deduction for reimbursement of expenses, will be shared between the University, the inventor(s) and the inventor(s) laboratory(s) and department(s) in accordance with Section 1.3.3 above. Any equity received by the University under a license agreement will be held and managed by Brown Technology Partnerships. Brown Technology Partnerships will promptly distribute the inventor(s) shares to the inventor(s), when permitted under applicable securities laws and not otherwise prohibited by contractual restriction.

² PIL = Principal Investigator Laboratory. This term embraces a single Covered Individual (“CI”) and a laboratory in which a CI is a member. The intent of the PIL share is to reward the inventor(s) by distributing funds back into the research of the CI(s). If a CI does not have a laboratory, the share distribution will be made by mutual agreement. If an agreement cannot be reached, a determination will be made by the Standing Appeals Committee, and the Committee will make recommendations to the Vice President for Research, the Provost and the President.

³ DEP = the Department(s) in which the CI(s) are members.

⁴ When the invention originates in the Division of Biology & Medicine, the Provost, in consultation with the Dean of Biology & Medicine, will determine the portion of the University’s 1/3 share to be allocated to the Division.

1.5 The Office of the Vice President for Research

The Research Advisory Board (“RAB”) for the Office of the Vice President for Research (“OVPR”) or its appointed working party or sub-committee will periodically review and update the Patent and Invention Policy. Considered in this review will be the policies of peer institutions and changes in law and regulation. The RAB or its appointed working party or sub-committee will make recommendations to modify the Policies to the Vice President for Research, the Provost and the President, including recommendations to modify the levels at which distributions are made and capped to take into account the impact of inflation as well as changes in law and regulation.

1.5.1 The Standing Appeals Committee

The OVPR, through the offices of its RAB or its elected working party or sub-committee and in consultation with the Faculty Executive Committee, will recommend a list of faculty for selection to the Standing Appeals Committee (“SAC”). The members of the SAC, with an initial membership of five, will be selected by the Provost. The SAC shall examine disputed matters pertaining to the Patent and Invention Policy and make its recommendations to the Vice President for Research, the Provost and the President. The SAC shall work in consultation with the Office of Brown Technology Partnerships and the Office of the General Counsel.

2.0 The Copyright Policy

2.1 *Applicability*

This policy applies to faculty, students, employees, visitors and consultants, whether paid or not, who create copyrightable materials under University auspices or using University facilities.

2.2 *Copyright Policy*

It is the policy of Brown University that ownership of the copyright in a work shall belong to the author or authors of the work, with certain, stated exceptions. (See I. – VIII. below.) For cases in which ownership of the copyright vests in the author or authors of the work, assignment of the copyright in such work need not be approved by the University.

The exceptions to this policy that shall vest ownership of the copyright in a work with Brown University, rather than with the author or authors of the work, are:

- I. if the work is a Work Made for Hire⁵ as defined by United States copyright law;
- II. if the work is defined as an “Institutional Work” under Section 2.4 below;
- III. if there is an intent to commercialize the copyrighted material on the part of the copyright owner or owners in an industrial application (*e.g.*, commercial data management and analysis products and services);
- IV. if the work was “Significantly Derived from University Resources” under Section 2.5 below;
- V. if the work is an audio, video, photographic or any form of digital reproduction of a class, course or presentation made by Brown faculty, staff or students;
- VI. if the work includes images of Brown University-owned facilities, buildings or property for purposes other than scholarly research and publication;
- VII. if the work includes rare Brown University holdings or unique data sets that are periodically employed by faculty or students other than the author or authors of the work; or
- VIII. if the work includes the name or insignia of Brown University as an endorsement, enhancement or sanction for a product or service.

With respect to the foregoing works, Brown University shall be the owner of the copyright in the work. As such, the University may decide to assign its copyright to the author or authors of the work on a case by case basis.

⁵ For guidance on the definition of “work made for hire,” see Section 2.3 below and additional guidelines provided at <http://www.brown.edu/Administration/Copyright/glossary.html>.

For cases in which ownership in the copyright of a work vests in the University as a result of a grant or contract, the University shall, if permitted by the grant or contract, assign the copyright to the author or authors if necessary to comply with the requirements of scholarly publications.

2.3 Work Made for Hire

A “Work Made for Hire” is a work created in the course of the author’s employment. For example, works created by writers of university publications or by staff programmers would be considered Works Made for Hire and are the property of the University. Copyrightable works of scholarly research, course materials or artistic works made by faculty members would not be considered Works Made for Hire and are the property of the author or authors.

2.4 Institutional Works

The copyright in Institutional Works shall be owned by the University. Institutional Works are defined as works that are supported by a specific allocation of University funds or created at the direction of the University for a specific University purpose. Institutional Works also include works whose authorship cannot be attributed to one or a discrete number of authors, but rather result from simultaneous or sequential contributions over time by multiple authors. For example, software tools developed and improved over time by multiple faculty and students, where authorship is not appropriately attributed to a single or defined group, would constitute an Institutional Work. The mere fact that multiple individuals have contributed to the creation of a work shall not cause the work to constitute an Institutional Work.

2.5 Works Significantly Derived from University Resources

The copyright in Works Significantly Derived from University Resources shall be owned by the University. Works Significantly Derived from University Resources are defined as works created using expert University services, extensive use of the University computer infrastructure, equipment, use of the services of University non-faculty employees working within the scope of their employment, or extensive use of other University resources that exceeds the level of support that is commonly and customarily accessed by faculty.

Any question as to whether a work is Significantly Derived from University Resources can be brought to and addressed by the Standing Appeals Committee at any time, i.e., at the beginning, during the course of, or at the completion of the work.

The ordinary use of University resources, including the use of desktop computers, the University computer infrastructure, secretarial staff and supplies, one’s office and the University libraries, constitutes the customary use of University resources. The copyright in works created using such resources vests in the author and not in the University.

2.6 Other University Rights

When copyrighted material is developed in conjunction with an author's University activities and responsibilities, or using University facilities or equipment, or with the involvement of faculty, employees or students, the University shall retain the right to use such material for its own educational and research purposes, even though it does not claim ownership of the materials under Section 2.2 above. The foregoing right does not include a royalty-free license to use or to reproduce a published textbook for classroom or library use.

2.7 Disclosure

All copyrightable materials owned by the University must be disclosed in writing by the author(s) to the Office of Brown Technology Partnerships.

2.8 Distribution of Net Income from University-Owned Copyrights

The University agrees to share with the author(s) any net income received from the commercialization or exploitation of University-owned copyrighted material using the same formula for Net Royalties as for licensed patents as described in Section 1.3.3 above.

2.9 Works of Non-Employees

Under the United States Copyright Act, works of non-employees, such as consultants and independent contractors, are owned by the author and not by the University, unless there is a written agreement to the contrary. As it is Brown's general policy that the University shall own such works, Brown will typically require a written agreement from non-employees that ownership of such works will be assigned to the University.

Examples of works which the University may retain non-employees to prepare are:

- Reports by consultants or subcontractors;
- Computer software;
- Architectural or engineering drawings;
- Illustrations or designs; or
- Artistic works.

2.10 Distribution of Computer Software

The distribution of University-owned computer software to others for external research purposes must be coordinated with the Office of Brown Technology Partnerships if the software has potential commercial value or if it is subject to the terms of a sponsored research agreement. The Office of Brown Technology Partnerships will provide appropriate wording for the distribution agreement and will arrange for copyright

registration. Distribution for internal, Brown University, purposes need not be coordinated with the Office of Brown Technology Partnerships and is permissible with the approval of the author of the work and the Department Head.

2.11 Electronic Distribution of Copyright Material

To the extent that this Policy does not fully address distance learning, recordation, broadcast, narrowcast, and methods and electronic means of use and dissemination of copyright materials created under University auspices or using University facilities, the University shall create a policy on such rights by a joint Faculty and Administration committee to be created for this purpose.

2.12 The Office of the Vice President for Research

The Research Advisory Board (“RAB”) for the Office of the Vice President for Research (“OVPR”) or its appointed working party or sub-committee will periodically review and update the Copyright Policy. Considered in this review will be the policies of peer institutions and changes in law and regulation. The RAB or its appointed working party or sub-committee will make recommendations to modify the Policies to the Vice President for Research, the Provost and the President including recommendations to modify the levels at which distributions are made and capped to take into account the impact of inflation as well as changes in law and regulation.

2.12.1 The Standing Appeals Committee

The OVPR, through the offices of its RAB or its elected working party or sub-committee in consultation with the Faculty Executive Committee, will recommend a list of faculty for selection to the Standing Appeals Committee (“SAC”). The members of the SAC, with an initial membership of five, will be selected by the Provost. The SAC shall examine disputed matters pertaining to the Copyright Policy and make its recommendations to the Vice President for Research, the Provost and the President. The SAC shall work in consultation with the Office of Brown Technology Partnerships and the Office of the General Counsel.