



POLICY

I. SCOPE

This policy establishes the rights and responsibilities of all faculty, staff, and students who discover or invent a device, product, or method, while associated with the University, whether or not University time or facilities are used.

This policy also applies to all pending patent searches and/or applications and/or patents not yet licensed or sold as of January 1, 1978.

II. POLICY

When an invention is made, the inventor must promptly submit an Invention Disclosure Statement to the Office of Applied Research. See Procedure 11-02-01, Patent Rights and Technology Transfer.

Title to Patents

The University claims ownership and control of the worldwide patent rights which result from activities of its faculty, staff, and students. University "faculty and staff" includes all persons who hold any official faculty or staff relationship to the University, with the exception of those persons who render their services to the University on a gratuitous basis. This exception does not include faculty who are members of professional corporations affiliated with the University, even though the faculty may receive all or part of their compensation from the professional corporation. The inventor will normally receive thirty percent and the University seventy percent of the net financial returns from the sale, licensing, or other transfer of patent rights.

If, however, the inventor or another institution believes that the circumstances surrounding the invention, including such factors as support provided by other than the University, place where discovery was made, or lack of relevance to the regular work of the member of the faculty or staff, warrant another distribution, the inventor or the institution may request the University Patent Committee to review the circumstances. After review, the University Patent Committee may determine a different distribution of the net proceeds.

The University, as determined by the Patent Committee, may choose to waive all rights to a patent, thus granting the inventor permission to proceed in whatever manner he deems appropriate.

Patent rights resulting from research carried on by a student in fulfillment of requirements for an academic degree, including the preparation of a thesis or dissertation, are construed as making use of University resources and are subject to the provisions regarding title to patents.

Patent rights resulting from government-sponsored research grants, contracts, fellowships, or other such arrangement, are controlled by the terms of those agreements, but as between the University and faculty members and staff accepting such grants, patent rights are subject to the provisions herein regarding title to patents.



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Subject **Patent Rights and Technology Transfer**

Patent rights resulting from the research grants or contracts of nongovernment agencies or sources are, as between the University and faculty members and staff, subject to the provisions herein regarding title to patents.

Management of Patents

Inventions and discoveries resulting from University research are administered and managed in a manner determined to be in the best interests of the public, the inventor, and the University. The responsibility for the management is through the University Patent Committee.

Patent Rights Fund

The Patent Rights Fund has been established to provide resources to obtain patents and maintain them, for filing in foreign countries, and other related uses as approved by the Patent Committee.

The fund will be reimbursed from any royalties or sales from patents for each case. (See "Distribution of Royalties or Sale of Patent Rights or other Technology Rights" below.)

There will be additional reimbursement to the fund, as provided below, to increase the amount in the fund for patent searches and obtaining and protecting patents.

Distribution of Income from Licensing or Sale of Patent Rights or Other Technology Rights

First income will reimburse the "Patent Rights Fund," for legal, professional, and government fees paid for outside services.

The balance of proceeds from royalty or sale will be distributed as follows:

- 30% to the inventor(s), subject to any sponsoring agency limitations
- 35% to the above "Patent Rights Fund"
- 20% to a "Patent Research Development Fund," to develop patentable material under the direction of the Office of Research. Any reduction in the inventor's distribution would be added to this fund.
- 15% to the department of the inventor, for use in research at the discretion of the inventor with the approval of the department administrator, if inventor is still a member of the faculty
- In the event that total income for a patent or group of related patents or technology rights exceed \$100,000, the above distribution of royalties may be changed in accordance with a plan approved by the President of the University, but not so as to reduce the inventor's share
- In the event an inventor entitled to compensation under the paragraphs above, leaves the University either voluntarily or involuntary, such inventor will continue to remain

Effective Date

June 29, 1990

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entitled to receive payments under the paragraphs above, but will not in any fashion be entitled directly or indirectly to continue to receive or transfer any other rights or benefits to the department of the inventor. In the event of death of an inventor entitled to receive compensation under the paragraphs above, such payments will continue to be paid to the inventor's estate and subsequently to those lawfully taking thereunder in accordance with a court approved distribution.

Public Disclosure/Publication

No public disclosure, publication, placing on sale or selling of the development must be made without prior approval of the Patent Committee.

All publication rights relating to sponsored research or research supported entirely or largely by University resources are reserved by the University for itself and its faculty members, staff, and student, subject to the following conditions:

- Publication may be withheld for a maximum period of six months if required for the filing of a patent application
- Any patent or commercial product mentioned in a publication may not be referred to by its trade name without the consent of both the University and the sponsoring agency
- The University, on request, submits any publication to the sponsoring agency before printing and considers any recommendation made by the Sponsoring agency. However, the University makes the final determination as to the form, scope, and content of such publication

Patent Clauses

The terms of the invention, disclosure to other parties and patent clauses in agreements for sponsored research are subject to the review, negotiation, and acceptance by the Office of Research. In the event that clauses in any such agreement appear to be unusual or to require special consideration, the Office of Research will submit the agreement to the Patent Committee for its consideration and recommendation.

Non-Patentable Inventions

Certain discoveries and inventions, including trade secrets and know-how, may not be patentable but may have material commercial value or potential as revenue producers. These accomplishments are subject to the same policy as any patentable invention and will be considered by the Patent Committee on an individual basis.

III. REFERENCES

Appendix D, Commentary and Instructions of General Counsel.

Procedure 11-02-01, Patent Rights and Technology Transfer.

Policy 02-06-01, Outside Employment.

Policy 07-05-02, Conflict of Interest and Holding Public Office.

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Appendix D

Patent Rights and Technology Transfer Commentary and Instructions of General Counsel

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PATENT RIGHTS and TECHNOLOGY TRANSFER
COMMENTARY and INSTRUCTIONS of GENERAL COUNSEL

Rights May be Forfeited by Premature Publication or Use of Invention

In order to avoid forfeiture of patent or trade secrets rights, there shall be no publications or other public disclosure or commercial use of any invention or development prior to the filing of a patent application. (Even publishing a short abstract, distributing handouts at a seminar or lodging copies in a library may constitute "publication" that would forfeit rights.) For the same reason, an invention that is susceptible of manufacture and transfer shall not be placed on sale or sold before filing a patent application.

Trade Secrets and Know-How Covered by Patent Policy

As stated on page 3 of the Policy, even though certain discoveries or inventions, including trade secrets or know-how, may not patentable (or it may not be practical to patent them), they may have material commercial value. Such discoveries and inventions are subject to the same policies as patentable inventions: they shall be considered by the University Patent Committee on an individual basis, taking account of the appropriate Patent Policy provisions. More specifically, sections of the University Policy on Patents pertaining to Title to Patents, University Patent Committee, and Management of Patents, and all sections of the University Procedures for Patents shall be referred to in this evaluation. Because trade secrets can endure for only so long on as they are maintained in confidence, the provisions of the University Policy on Patents, regarding publication, which are directed toward avoidance of forfeiture of patents rights, are not applicable.

University Health Center of Pittsburgh Patent Guidelines Subordinated to University Policy

The "Patent Guidelines for the University Health Center of Pittsburgh (UHCP) Member Hospitals and Affiliated Organizations and the University of Pittsburgh," were issued in December 1986. Insofar as University of Pittsburgh personnel are concerned, the UCPH Patent Guidelines are subordinated to the University of Pittsburgh Patent Committee Policy. To the extent there is any inconsistency between the UHCP Patent Guidelines and University Policy, the latter shall govern.

Veterans Administration Asserts Broad Claims of Rights

The Veterans Administration (VA) claims ownership of inventions that are made even in part at a VA Hospital or with VA resources. To minimize friction with the VA, University personnel would be prudent to consult with the Office of Intellectual Property (648-2206) before conducting research employing VA facilities, equipment, personnel or supplies.

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Questions about the Patent Policy should be posed to the Office of Intellectual Property (648-2206).

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