

Georgia Tech Faculty Handbook

Patents

6.6.1 Preamble

The Georgia Institute of Technology is dedicated to teaching, research, and the extension of knowledge to the public. Its personnel recognize as two of their major objectives the production of new knowledge and the dissemination of both old and new knowledge. Inherent in these objectives is the need to encourage the development of new and useful services and processes and the publication of scholarly works. Such activities: (a) contribute to the professional development of the individual staff members involved; (b) enhance the reputation of the Institute; (c) provide additional educational opportunities for participating students; and (d) promote the general welfare of the public at large.

Patentable inventions and materials often come about because of activities of faculty members and other employees who have been aided wholly or in part by their association with the Institute. It becomes significant, therefore, to insure the utilization of such inventions for the public good and to expedite their development and marketing. The rights and privileges, as well as the incentive, of the inventor must be preserved so that his/her abilities and those of other employees of the Institute may be further encouraged and stimulated.

It is the purpose of this document to set forth the rights and obligations of Georgia Tech faculty, staff, and students with regard to inventions which result from their employment or use of Institute facilities.

6.6.2 Definition of Inventions

As used in this policy, the term "inventions" shall be deemed to refer to items which reasonably appear to qualify for protection under the patent laws* of the United States or other protective statutes whether or not patentable thereunder or which appear to be commercially licensable, provided, however, that for the purposes of this policy the term "inventions" does not include computer software, which shall be the subject of a separate Institute policy.

*"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefore, subject to the conditions and requirements of this title." *United States Code Annotated*, Title 35, Section 101, as amended.

6.6.3 Committee

Patent activities shall be under the general cognizance of an Institutional Patent Committee. This Committee is to be appointed by the Vice Provost for Research, who shall also serve as chair of the Committee. The Committee shall consist of the chair and eight members; one representative shall be selected from the Office of Planning, Budget, and Finance, one representative shall be selected from the Office of Contract Administration/Georgia Tech Research Corporation (OCA/GTRC), one representative shall be selected from each of the colleges, one from the Georgia Tech Research Institute and one representative shall be selected from the student body. Committee appointments will be for three years. Provided, however, that of the original members of the committee, two shall be appointed for a term of one year, three shall be appointed for a term of two years, and three shall be appointed for a term of three years. The student representative shall serve for a term of three years or until he or she graduates, whichever comes first. Members of the Committee may be appointed to serve successive terms. In the event any seat on the Committee is vacated prior to expiration of the normal term the chair may appoint a successor to fill the unexpired term of the seat vacated. The Patent Committee, through GTRC, shall be provided access to a patent attorney or other personnel knowledgeable in patent law.

The Patent Committee will have the responsibility of:

- A. Recommending changes in policy and establishing procedures pertaining to inventions;
- B. Providing communication with Institute personnel as to the proper procedures for protecting patentable or otherwise commercially valuable inventions;
- C. Determining the disposition of all inventions;
- D. Arbitrating disputes;
- E. Overseeing the administration of all matters pertaining to inventions within the Institute;
- F. Authorizing exception to established policy; and
- G. Assisting the Institute or government agencies in matters pertaining to patent policy (such as determining authorship of inventions or personal claims of inventions).

The disposition of inventions will fall into three categories: (a) approved for patenting or licensing by the Institute; (b) rejection and releasing of rights in the invention to the inventor(s); and (c) determination that the Institute has no rights in the invention.

The OCA/GTRC shall be responsible for: (a) action necessary to implement decisions of the Patent Committee; (b) administrative functions related to patent matters; and (c) providing support to the Patent Committee.

6.6.4 Policy Applicability to Faculty, Staff, and Students

For the purpose of application of the Patent Policy of the Georgia Institute of Technology, the term "Institute personnel" is defined to include all part-time and full-time members of the faculty and staff and all other agents, employees, students, and fellows of the Institute. Subject to restrictions imposed by contracts with sponsoring agencies, the Institute shall have the sole right to determine the disposition of all inventions by the Institute personnel resulting from their employment or use of facilities administered by the Institute. If an invention occurs under a sponsored grant or contract, the Institute will make every attempt to have the sponsor follow the Institute patent policy but, failing that, the sponsor's policy terms will be controlling in the event of limitations on the inventor's share, etc.

Institute personnel may use the administrative structure associated with the Patent Policy of the Institute to pursue inventions in which they normally would have full rights. To make use of this service, the individual will be required to assign to the Institute his or her rights in the invention, which will be administered on the same basis as all other inventions subject to this policy. Institute personnel shall promptly report in writing all inventions to the Patent Committee.

6.6.5. Assignment of Rights

All Institute personnel as defined above shall, as a condition of employment with the Institute, execute an assignment of rights, assigning all rights, title, and interest, to the extent prescribed in this policy, in any invention as defined herein to the Institute. Students shall not be required to execute an "Assignment of Rights" form. However, each publication of the Institute's official *General Catalog* and *Student Handbook* will contain a prominent statement that the provisions of the Institute patent policy are applicable to students and adherence thereto is a condition of continued enrollment at the Institute. Such a notice shall also be contained in each official letter of acceptance from the Institute notifying applicants (undergraduate and graduate) of their acceptance for admission.

6.6.6. Determination of Rights and Equities in Inventions

6.6.6.1. Sponsor-Supported Efforts

The grant or contract between the sponsor and the Institute, under which inventions are produced, may contain specific provisions with respect to the disposition of rights to these inventions. The sponsor:

- A. May specify that the inventions be placed in the public domain;
- B. May claim reproduction, license-free use or other rights; or
- C. May assign all rights to the Institute.

In those cases where all rights are vested in the Institute, or in cases where royalty income is shared between the sponsor and the Institute, the inventor may share in the royalty income. The nature and extent of inventor participation in royalty income, however, shall be subject to sponsor and Institute regulations.

6.6.6.2. Institute-Assigned Efforts

Ownership of inventions developed as a result of assigned institutional effort shall reside with the Institute; however, there shall be a sharing of royalty income with the inventor as an incentive to encourage further development of inventions. Any invention will be considered as having been developed as an assigned duty when conception and/or development are in the area of principal competence for which the individual is employed.

6.6.6.3. Institute-Assisted Individual Effort

Joint rights of ownership, and/or sharing of royalty income, shall be insured where the Institute provides any support of an individual's effort resulting in an invention by the contribution of faculty or staff time, facilities, or institutional resources.

6.6.6.4. Individual Effort

Ownership of inventions generated entirely on personal time and solely as a result of individual initiative, and not as an institutional assignment and/or employment responsibilities nor involving the use of Institute facilities or resources as defined above, normally shall reside with the inventor. Institute personnel desiring to perform consulting work for outside organizations are required to obtain prior approval from the Institute and are cautioned not to sign a conflicting patent agreement. Inventions made or developed solely in the course of consulting work performed for outside organizations for which the approval of the Institute has been obtained shall not be considered as having been made or developed in the course of Institute employment unless otherwise specified. Accordingly, all rights to such inventions other than those involving the use of Institute funds or facilities shall remain with the individual.

6.6.6.5. Special Cases

It is recognized that special cases will arise which are not specifically covered by the guidelines above. Such special cases may be submitted to the Patent Committee for resolution.

6.6.7. Administration of and Consideration for Rights in Inventions

6.6.7.1.

If the Institute decides not to pursue the invention, or takes no specific action which indicates an intent to pursue the invention, within ninety days after the receipt of the discovery documentation, all rights revert to the inventor(s) upon request, subject to the provisions of Section 6.6.4.

6.6.7.2.

If the Institute pursues the invention, it must file an application for a patent or commence negotiation of a license agreement within 270 days after receipt of the discovery documentation. If the Institute fails to file or commence negotiation of a license agreement within this period, all rights revert to the inventor(s) upon request, subject to the provisions of Section 6.6.4. At the time of filing for a patent, a payment of \$250.00 shall be made to (or divided among) the inventor(s) for services rendered in providing technical documentation in filing the patent.

6.6.7.3.

If the Institute pursues the invention but, subsequently during the proceedings, abandons the pursuit of the patent or license agreement, all rights revert to the inventor(s) upon request, subject to the provision of Section 6.6.4.

6.6.7.4.

If the Institute receives a patent, negotiates a license agreement, or otherwise exploits the invention, the first \$1,000.00 in income to the Institute generated from the invention shall be paid to (or divided among) the inventor(s). Thereafter, the inventor(s) shall receive fifty percent (50%) of net revenues received by the Institute from exploitation of the invention. "Net revenues" is defined as gross revenues less any expenditures borne by Georgia Tech Research Corporation (GTRC) and/or the Georgia Institute of Technology for research resulting in such inventions, as well as any expenses incurred in securing letters patent or effecting a license agreement, and the development and administration thereof, and/or any and all expenditures incurred by GTRC in contemplation of or in any litigation or controversy between parties involving rights under any such inventions.

6.6.7.5.

If the Institute assigns the invention to an outside party for exploitation and that party abandons the pursuit of invention, decides from the outset not to pursue the invention, or takes no specific action which indicates an intent to pursue the invention within the scope of its agreement with the Institute, all rights to the invention revert to the Institute for a period of ninety days. If the Institute does not file for a patent within ninety days, subject to the provisions of Section 6.6.4., all rights in the invention revert to the inventor(s) upon request.

6.6.7.6.

If the outside party receives a patent, negotiates a license agreement, or otherwise exploits the invention, the first \$1,000.00 in income to the Institute generated from the invention shall be paid to (or divided among) the inventor(s). Thereafter, the inventor(s) shall receive fifty percent (50%) of net revenues (as that term is defined in Section 6.6.7.4. of this article) received by the Institute for exploitation of the invention.

6.6.8 Appeals

Institute personnel shall have a right to appeal from decisions of the Patent Committee. Appeals shall be made to the President of the Institute. Institute personnel may, in accordance with Article IX of the By-Laws of the Board of Regents, apply to the Board

of Regents for a review of a decision of the President.

Source: Vice President for Research and Graduate Programs

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