

USA College Of Medicine Patent Policy

Approved By The USA Board Of Trustees February 2, 1984

The University of South Alabama recognizes that a basic purpose of the University is to contribute to knowledge by research activities in all areas, and to generate new knowledge through such activities. Further, it is recognized that when important discoveries are made in the laboratory that these should be disseminated by the most appropriate and effective means to the public so that the tangible benefits of research may accrue to the public at large. The securing of patents, under certain circumstances, may be the most appropriate and effective means by which such new knowledge and discoveries may be disseminated. It is recognized that the development of inventions or patents is not viewed as a necessary and final product or even a purpose of research, but that these are important by-products of scholarly inquiry. When such important new knowledge and discoveries are made in the laboratory, it is further recognized that a way by which to transfer this new knowledge to the private sector is through the free enterprise system.

The vast majority of university-based research is supported with public funds. In the past, Federal patent policies severely restricted universities and faculty members in financial gains from technology transfers to the private sector. Recent Federal legislation has altered this and has encouraged universities and faculty to share in royalties as a mechanism of accelerating the transfer of new discoveries and knowledge through research processes involving federal funding.

In recognition of the importance to the University of establishing policies in this area that will provide guidance and incentives to all parties involved, the following is designed to meet stated objectives:

Ownership principle. Technical discoveries, inventions and items of commercial importance, hereinafter referred to as "Inventions", which are conceived or first actually reduced to practice by faculty members, staff members, and students, hereinafter referred to as "Investigators", of the College of Medicine of the University of South Alabama as a result of Investigator's employment by the University, or participation in sponsored research made available by the University, or use of the funds or facilities administered by the University shall be and are the property of the University or its designee. In the event that such Invention may be deemed of actual or potential commercial value, the University reserves those rights to protect the Invention by patent application and to designate the South Alabama Medical Sciences Foundation (SAMSF) to protect such interests. Upon such designation and/or assignment by the University of South Alabama, the SAMSF shall own all rights, title and interest in such Invention and reserves the right to direct the assignment thereof to others, except in those cases of sponsored research projects where the terms of the research contract may require the assignment of patent rights. In such instances, the research contract will supersede this policy.

Role of the South Alabama Medical Sciences Foundation. It is the responsibility of the South Alabama Medical Sciences Foundation to administer any patent rights which may accrue through the College of Medicine to the University. It shall also be the responsibility of the Foundation to receive, account for, and properly distribute all monies received from any patent from sales of any commercial items. Since the South Alabama Medical Sciences Foundation will participate in and contribute to the management of such patents and will share in the costs, or totally absorb the cost, of patenting the new discoveries, it is recognized that the disbursement enumerated herein below is appropriate.

Assignment of Patent Rights. In accordance with the principle of ownership, the inventor or inventors shall assign all rights, title, and interest in any patent or discovery to the University and/or its designee and specifically the South Alabama Medical Sciences Foundation. In those instances in which the investigations are financed totally or partially by governmental, industrial, philanthropic or other organizations or by another individual not employed by the University, the results of the research shall be pursued under contract or written agreement which states the rights relating to ownership of the patent.

Division of Royalties or Proceeds. The division of royalties or proceeds listed below is based upon the total funds related to particular license or project without regard to the time in which the funds are accumulated. The payment to the investigator(s), to the department(s), to other University funds, and the South Alabama Medical Sciences Foundation, shall be made from the net proceeds of any monies accruing from the commercial utilization of such patents. The cost of obtaining the patent shall first be returned to the South Alabama Medical Sciences Foundation prior to any distribution of the proceeds for the patent. The investigator(s) share of the royalties paid in accordance to the University's policies should be paid directly to the investigator, heirs or assignees. In such instances where two or more collaborating investigators are involved, the allocation of each investigator(s) portion must be agreed to, in writing, by all parties, including the investigators, the University of South Alabama, and the South Alabama Medical Sciences Foundation, prior to disbursement of funds. The department sharing royalties must reflect the primary department in which the research which produced the royalties was accomplished. If more than one department is involved, a reasonable division of royalty for each department must be agreed upon in writing before funds are dispersed. The share designated to the University is intended to support University-wide research. The following would be the division of royalties based upon net proceeds: from \$0 to \$10,000, seventy percent (70%) will be distributed to the investigator, twenty percent (20%) to the investigator's primary department, and ten percent (10%) to the South Alabama Medical Sciences Foundation. When net proceeds from the patent exceed \$10,000 and to \$50,000, fifty percent (50%) will be awarded to the investigator, twenty percent (20%) to the investigator's primary department, and thirty percent (30%) to the South Alabama Medical Sciences Foundation. Upon net proceeds exceeding \$50,000, thirty percent (30%) of such royalties are designated to the investigator, twenty percent (20%) to the investigator's primary department, thirty percent (30%) to the South

Alabama Medical Sciences Foundation and twenty percent (20%) to the University of South Alabama General Research Fund.

It is recognized that in addition to technical discoveries, inventions and items of commercial importance, and/or as a part of those, other technical discoveries, processes, generation of compounds or other similar technological advancements may be conceived or first actually reduced to practice by faculty members, staff members and students the College of Medicine of the University of South Alabama as a result of the Investigator's employment by the University, or participation in sponsored research made available by the University, or use of the funds or facilities administered by the University. In such instances, such technical discoveries, processes, generation of compounds or other similar technological advancements shall be and are deemed to be the property of the University or its designee. Those technical discoveries, processes, generation of compounds or other similar technological advancements shall be treated in accordance with this policy consistent with an "Invention" or "Inventions", and the division of proceeds shall be in accordance with policy regarding the division of royalties or proceeds as found herein.

Inventions which result from research that are not conducted under the University auspices and do not involve the use of any facilities under the control of the University will not be the property of the University.