

## **INVENTIONS AND PATENTS POLICY**

### **A. BACKGROUND**

This Policy governs the ownership and control of intellectual property rights in potentially patentable and patented inventions, including patentable software, at Chapman University (the “University”). A primary purpose of this Policy is to provide incentive for faculty and staff to apply their skills, knowledge and creative talent to research and to protect the University’s investment in that research.

All faculty, staff, student employees, as well as non-employees who participate in teaching and/or research or scholarship projects at the University are bound by this policy and they are referred to in this policy as “Inventor(s).” They are also required to sign the Chapman University Patent and Copyright Agreement found on the [Institutional Policies](#) webpage.

This policy applies, and those subject to this policy are deemed to assign their rights to inventions as required under this policy, whether or not a Chapman University Patent and Copyright Agreement is signed and is on file.

This policy shall apply to all inventions conceived or first reduced to practice on or after January 28, 2013.

NOTE: The University’s policy governing copyrightable works can be found on the [Institutional Policies](#) webpage.

### **B. GENERAL POLICY**

1. All potentially patentable inventions conceived or first reduced to practice in whole or in part by Inventors in the course of their University responsibilities or with more than incidental use of University resources, shall be disclosed on a timely basis to the University. Title to all such inventions is hereby assigned, and the Inventor agrees to assign title to the University, regardless of the source of funding, if any. The Inventor(s) shall cooperate with the University, at the University’s expense, to document, perfect and record such assignment.
2. The University requires Inventors to use University’s invention disclosure form for disclosure of inventions and the form is available at the [Institutional Policies](#) webpage. Invention disclosures must be timely and complete.
3. The University shall share royalties from inventions assigned to the University with the Inventor(s) as described below in Section C4.
4. The Inventors, acting collectively where there is more than one, may petition the University to place their inventions in the public domain if they believe that would be in

the best interest of technology transfer and if doing so is not in violation of the terms of any agreements related in any way to the invention or its development or in violation of applicable law. The determination of whether to agree to such request, and any applicable additional terms, will be made by the University Intellectual Property Committee.

5. The Inventor(s) may petition the University to assign ownership of the invention back to the Inventor(s), to the extent possible under the terms of any agreements that supported or related to the work and to the extent permitted by applicable law, under the following circumstances:
  - (i.) No earlier than three (3) months after the date of the University's receipt of the applicable invention disclosure, the Inventor(s) may so petition the University and the University may determine:
    - (a) it has no interest in pursuing the claimed invention, in which case it will assign the invention to the Inventor(s) to the extent possible under the terms of any agreements that supported or related to the work and to the extent permitted by applicable law; or
    - (b) it continues to have an interest in pursuing the claimed invention, in which case it will not assign the invention to the Inventors and Section B5(ii) shall apply; or
    - (c) it needs more time to make a determination of whether it has an interest in pursuing the claimed invention and will respond within a reasonable amount of time, not to exceed six (6) months, subject to extension as mutually agreed.
  - (ii.) If the University determines under B5(i)(b) that it has an interest in pursuing the claimed invention, and the University fails to derive income from an invention for a period of ten (10) years after the date of the applicable invention disclosure, the Inventor(s) may re-petition the University.
  - (iii.) If at any time the University determines to abandon all pursuit of a claimed invention, the University will notify the Inventor(s) at the Inventor(s) last known address and the Inventor(s) may re-petition the University. At any time after the initial three (3) month period described in B5(i), but no more frequently than once in any twelve (12) month period, the Inventor(s) may request that the University confirm in writing that it has not abandoned all pursuit of the Inventor(s)'s claimed invention.

The determination of whether to agree to such request, and any applicable additional terms, will be made by the University Intellectual Property Committee.

If the University does determine to assign the invention back to the Inventor(s), the University shall receive a non-exclusive, worldwide, perpetual, irrevocable, royalty free license to the invention for academic and internal purposes.

6. Waivers of the provisions of this policy may be granted by the University Intellectual Property Committee on a case-by-case basis, giving consideration among other things to University obligations to sponsors, University obligations under applicable law, whether the waiver would be in the best interest of technology transfer, whether the waiver would be in the best interest of the University and whether the waiver would result in a conflict of interest.

## **C. ADMINISTRATIVE PROCEDURES**

### **1. Invention Disclosures**

An invention disclosure is a document which provides information about the inventor(s) of an invention, a description of what was invented, circumstances leading to the invention, and facts concerning subsequent activities. It helps the University determine if an invention is patentable and provides the technical information needed to draft a patent application.

Inventors must prepare and submit an invention disclosure for each potentially patentable invention conceived or first actually reduced to practice in whole or in part in the course of their University responsibilities or with more than incidental use of University resources (See C2 below). The invention disclosure must be submitted as soon as practicable after conception and must include a detailed description of any commercial interest the Inventor is aware of in such invention.

A disclosure form found at the [Institutional Policies](#) webpage describing the invention and including other related facts should be prepared by the inventor and forwarded to the University Intellectual Property Committee via the Office of Research and Sponsored Programs.

### **2. Use of University Resources**

Individuals may not use University resources, including facilities, personnel, equipment, or confidential information, except in an incidental way, for any non-University purposes, including outside consulting activities or other activities in pursuit of personal gain.

The occasional and infrequent use of the following would typically not constitute "more than incidental use of University resources": routinely available, office-type equipment, including desktop computers and commercially-available software and use of reference materials or other resources collected on the University campus. Use of the following would constitute "more than incidental use of University resources": the use of specialized, research facilities, equipment or supplies provided by the University for academic purposes, or the significant expenditure of an individual's working hours at the University.

### **3. University Duty and Mission**

Any ownership by the University of a patent or invention, or any determination by the University not to grant an Inventor's petition to assign a patent or invention to the Inventor, shall not constitute any promise, duty or undertaking on the part of the University with respect to the protection, enforcement or exploitation of such patent or invention. The University's research and teaching missions take precedence over patent and commercialization considerations. While the University recognizes the benefits of patent development, the direction of University research should not be unduly influenced by patent considerations or personal financial interests.

The Office of Research and Sponsored Programs handles the review of contracts and grants related to University-owned inventions.

### **4. Cash Royalties**

All licensing and royalty payments from University patents are administered by the Office of Contract and Grant Accounting. The distribution of any such income between the Inventor(s) and the University is negotiable; however, the Inventor(s) will be awarded thirty percent (30%) of any such royalty income after the University is reimbursed for any direct costs such as, for example, costs associated with development, protection, marketing, licensing and enforcement of rights in the Patent Material. After such deductions and after disbursement of the amounts awarded to the Inventors(s), the net amount received by the University will be divided as follows:

- twenty percent (20%) to the Chancellor's Office;
- twenty percent (20%) to the faculty member's Dean's Office;
- twenty percent (20%) to the Chief Operating Officer's Office;
- fifteen percent (15%) to the faculty member's department or unit, if no department exists; and
- twenty-five percent (25%) to the faculty member's laboratory or research center.

The portion of net royalty distributed to the University, Department, laboratory or research center must be used for research or educational purposes only.

### **5. ADMINISTRATION OF POLICY**

This policy and disputes under this policy will be administered by the Intellectual Property Committee. Decisions of this panel shall be final and nongrievable under other internal processes.

## **EXPLANATION OF TERMS**

### **1. PATENT**

A U.S. patent is a grant issued by the U.S. Government giving an inventor the right to exclude all others from making, using, or selling an invention within the United States, its territories and possessions for a period of time. There are three types of patents in the U.S. Utility patents may be granted to anyone who invents or discovers any new and useful process, machine, article of manufacture, or composition of matter, or any new and useful improvement thereof. Design patents may be granted to anyone who invents a new, original, and ornamental design for an article of manufacture. Plant patents may be granted to anyone who invents or discovers and asexually reproduces any distinct and new variety of plant.

To obtain a patent, an application is prepared and filed with the U.S. Patent Office. The application process is complex and typically involves the use of specialized counsel. In the case of a utility patent, for example, the Patent Office reviews the application to determine if the invention is new, useful, and nonobvious and, if appropriate, grants a patent. This process can take approximately three to five years. A utility patent has a term of 20 years. Other countries also grant similar patent rights.

### **2. PATENTABILITY**

Not all inventions are patentable. Questions relating to patentability are often complex and usually require review and advice of specialized counsel. To be patentable under a utility patent for example, an invention must not be obvious to a worker with ordinary skill in that particular field. It must also be novel, meaning it must not have been previously publicly known or used by others or patented or described in a printed publication.

Inventions that are otherwise patentable may become unpatentable for a variety of reasons. For example, an invention becomes unpatentable in the United States unless a patent application is filed with the U.S. Patent Office within 12 months after disclosure of the subject invention in a publication or any other action which results in the details of the invention becoming generally available.

### **3. INTELLECTUAL PROPERTY COMMITTEE**

The Intellectual Property Committee shall consist of the Chancellor or his or her designee, the Chief Operating Officer, or his or her designee, and a Faculty Senate Designee.

This policy was approved by Faculty Senate on November 16, 2012, and approved by the Academic Committee of the Board of Trustees on November 26, 2012.