



The University of Vermont

Policy V. 6.4.2

Responsible Official: Vice President
for Research

Effective Date: May 9, 2013

Intellectual Property

Policy Statement

The University Intellectual Property Policy appears in full below.

Reason for the Policy

The Policy is designed to assist the University in fulfilling its mission and achieving its strategic goals.

Applicability of the Policy

See Policy Elaboration

Policy Elaboration

1. Purpose

1.1. Statement of Mission

The mission of the University of Vermont (“UVM”) is to create, interpret and share knowledge, to prepare our students to lead productive, responsible and creative lives and to promote the application of relevant knowledge to the benefit of the State of Vermont and society as a whole.

1.2. Guiding Principles for Policy and Statement of University Interests

In furtherance of the UVM mission, University community members develop inventions, discoveries, copyrightable material and new knowledge that constitute the intellectual property of the Institution. The University seeks to promote application of that knowledge for the benefit of society while enhancing the capacity of the University to conduct its mission and protecting the interests of the University, its faculty, students and staff. The Intellectual Property Policy helps achieve these goals by providing the framework that governs the ownership, disposition, use and commercial development of University inventions, discoveries and creative endeavors.

- The primary obligation in conducting University research and scholarship is the pursuit of knowledge for the benefit of society.
- Since University research has substantial public support, it is incumbent upon the University to seek assurance that patents resulting from its work be administered in a manner consistent with applicable law.
- In order to provide adequate recognition of, and an incentive for, intellectual achievements, inventors and authors will be provided with opportunities to share in the proceeds from their inventive and creative endeavors.
- The contribution of outside sponsors to the research endeavors of the University is recognized by granting certain rights to sponsors, consistent with the principles outlined herein.
- After payment of the costs associated with intellectual property protection, licensing and related activities as specified in this Policy, revenue accruing to the University from the commercialization of its intellectual property shall be shared between the University, inventors and authors on a fair and reasonable basis. The University's share of that revenue shall be used to advance institutional research and scholarship endeavors.

2. Policy

2.1. *Intellectual Property Managed under this Policy* For purposes of this policy, the following categories are considered Intellectual Property and, unless otherwise noted in this policy, shall be treated the same under all provisions of this policy:

2.1.1. Patents

This Policy shall apply to patent(s) resulting from the University-related activities of individuals subject to this Policy as described in §2.2. For purposes of this Policy, the term “patent” or “patents” shall apply to those inventions (e.g. innovations or discoveries) that are or may be patentable or otherwise protectable under Title 35 of the United States Code, or any novel variety of plant protectable under the Plant Variety Protection Act, 7 U.S.C. §2321 et seq., as either may be amended from time to time and for which a provisional, design or utility patent application or applications is or are filed with the U.S. Patent and Trademark Office or under the Plant Variety Protection Act, or for which a patent has been issued. Patent(s) shall include divisionals, continuations, continuations-in-part and relevant international counter-parts of issued patents or patent applications, and any reissues, reexaminations or extensions of issued Patents or their foreign counterparts.

2.1.2. Inventions

The term “invention” or “inventions” as used in this Policy describes innovations or discoveries that come within the definition of “patents” in §2.1.1 except that part of the definition specifying that a patent application shall have been filed, or a patent issued, for the protection of an “invention,” which shall not apply.

2.1.3. Copyrights

This Policy applies to those copyrightable works developed or otherwise authored by persons covered by this Policy as described in §2.2. The term “copyrightable works” or “copyrights” applies to those works of authorship considered protectable under Title 17 U.S.C. as it may be amended from time to time. By way of example, but not by way of limitation, “Copyrights” include but are not limited to, copyrightable books, whether fiction or non-fiction, manuscripts, poems, plays, choreography, photography, motion pictures, videos, audio recordings musical works, works of art or design, pedagogical works such as course materials, syllabi, lecture notes and the like, regardless of the tangible form of medium through which they are expressed, except that copyrightable works that are expressed as “computer software” or computer programs for purposes of this Policy shall be treated as a separate category of intellectual property. Registration of copyright is available through the United States Copyright Office. Registration is advisable under many circumstances, but is not a requirement for ownership of copyright.

2.1.4. Computer Software and Computer Software Documentation

“Computer software” as the term is used in this Policy shall include, but not be limited to, copyrightable computer programs in source and object code form. A computer program is a set of statements or instructions to be used directly or indirectly in a computer in order to bring about a certain result. Such code is generally copyrightable. Certain computer software may also be patentable and where it is the subject of a patent application or issued patent, is treated as a “Patent” for royalty distribution purposes. Documentation in the nature of users’ guides, manuals and instructions developed to assist or facilitate use of computer software shall be managed as specifically indicated throughout this Policy.

2.1.5. Trademarks and Service Marks

Trademarks and Service Marks as described under this Policy shall be interpreted in accordance with Title 15 U.S.C. as it may be amended from time to time and also in accordance with validly existing laws of the State of Vermont covering trademarks and service marks as they may be defined under such laws. The existence of a trademark or service mark does not change the definition or treatment of patent(s) or invention(s) associated with such a trademark or service mark.

2.1.6. Mask Works

Mask Works are those series of related images which are fixed in a semiconductor chip product as described under Title 17, U.S.C. Ch. 9 §901.

2.1.7. Tangible Research Property

“Tangible Research Property” as used in this Policy means tangible products of research that include, but are not limited to: compositions, biological and chemical materials(including but not limited to cell lines, plasmids, dna, rna, and transgenic animals), prototypes, devices, equipment and the like.

2.2. Individuals Covered by this Policy

2.2.1. University Faculty and Staff

The rights and responsibilities with respect to Intellectual Property as established under this Policy shall govern the activities of University faculty and staff regardless of their status as full-time or part-time. Such persons include, but are not limited to, faculty hired to teach specific courses including Summer Session, Evening Division and distance learning, and those persons who do not have faculty status and are employed by the University to carry out administrative, academic or technical duties of any nature or kind. The latter category shall include, without limitation, post-doctoral associates, fellows and trainees, and students who are performing services as University employees. The term “faculty” shall also include those full-time and part-time faculty members who are members of duly certified bargaining units. All individuals described in this §2.2.1 shall be considered, for purposes of this Policy, persons covered by this Policy, referenced as “Covered Persons.” Adherence to this Policy is considered a condition of, and in consideration of, employment, for all faculty, staff and students whom the University employs.

2.2.2. University Visitors

All non-student visitors to the University who are participating in research activities and/or making use of University facilities and/or resources are considered “Covered Persons” for purposes of this Policy. It is the responsibility of visitors to ensure that their obligations to third parties, including but not limited to their own employers, are satisfied in a manner consistent with University rights described in this Policy. Participation in University programs and/or use of University facilities and/or resources by University visitors is in consideration of, and conditioned upon, agreement with the provisions of this Policy.

2.2.3. Undergraduate, Graduate, Medical and Visiting Students, full-time and part-time (“University Students”)

University Students are considered “Covered Persons” under this Policy for purposes of disposition of Intellectual Property developed by them as further described under this Policy. All Intellectual Property developed by University Students participating in University activities shall belong either to the University or to the Student, according to this Policy. When serving in the capacity of a University employee (e.g. students working part-time for the University), University students shall ordinarily be deemed staff employees covered under §2.2.1 of this Policy.

2.3. Statement of University Intellectual Property Ownership

2.3.1. Developed in Connection With University External Relationships

Intellectual Property developed by Covered Persons in the course of, or directly

related to, such individual's participation or involvement in a program, project or other relationship between the University and a third party including, but not limited to, such relationships as sponsored research, joint studies, cooperative or collaborative agreements, clinical trials and the like, is assigned to the University and considered "University-Owned".

2.3.2. Developed with Significant Support of University Financial Assistance or through Use of University-Supported Resources

Except for Scholarly and Artistic works as described in §§ 2.4.1 and 2.4.2, Intellectual Property developed by Covered Persons through the use of significant financial support from the University, including but not limited to use of University-supported facilities and resources as well as time devoted to University functions of research and other University activities are hereby assigned to the University and considered "University-Owned." The use of office space, personal computers and network access alone shall not be considered "significant" University support. Only when the use of University facilities, materials or other resources makes a material contribution to the Intellectual Property, will it be considered "significant" use.

2.3.3. Developed within the Scope of Employment

Except as expressly set forth in §2.4 of this Policy, Intellectual Property developed by University faculty and staff within the scope of their employment is owned by the University to the extent permitted by law. Where University ownership is not automatically established by operation of law, such Intellectual Property is nevertheless by operation of this Policy assigned to the University as "University-Owned".

2.3.4. University-Commissioned Works

From time to time the University, its colleges, schools, departments or other units may commission from faculty members or other employees educational materials or tools such as curriculum, syllabi, course content, course modules and educational or computer-aided delivery systems ("Materials"). These University-Commissioned works shall be compensated and shall be the subject of written agreements and may be either content or text-based or may be computer software or both. Such works are considered University-Owned. Participating individuals will be notified prior to the commencement of the creation of the educational materials where possible and shall agree in writing to the University's treatment of the works as University-Commissioned. Monetary support for training shall not, in and of itself, result in University ownership of a work, unless included in a written agreement, entered into prior to the training.

The University recognizes its obligation reasonably to maintain the currency of University-Commissioned works in active use so as to preserve the quality of educational programs and to protect the reputational integrity of the authors. Authors will be provided the opportunity no less than once annually to comment on

the currency of their Materials. If faculty is invited by the University to update Materials, they will be offered additional compensation commensurate with the work in accordance with this Article.

2.3.5. Digital Educational Works. Digital educational works include, but are not limited to, course syllabi and curricula, lectures, pedagogical materials of any nature or kind (including computer software and its documentation), video and audio materials used in instruction and the like, in any format and which are developed or converted for the purpose of teaching on or off-campus by means of digital format.

2.3.5.1. Digital educational works, individually or jointly created by a faculty member or other teaching personnel, will be University owned if they are University-commissioned and will be separately compensated under separate agreement. A faculty member who creates such works as University-Commissioned works will be offered the first opportunity to update the materials if the University seeks to update the works. In accordance with the provisions of § 2.3.4 above, if the faculty member is invited by the University to update digital educational materials owned by the University, they will be offered additional compensation commensurate with the work in accordance with the initial agreement and with this Article.

2.3.5.2. Digital educational works independently created by faculty or other teaching personnel without commissioned compensation by the University shall remain the property of the creator(s) pursuant to section 2.4.1. Any commercialization of these materials must be in accordance with the Conflict of Interest and Commitment Policy, http://www.uvm.edu/policies/general_html/conflictinterest.pdf and with the University's Trademarks Policy http://www.uvm.edu/policies/general_html/trademark.pdf

2.4. Statement of Individual Intellectual Property Ownership

2.4.1. Scholarly and Artistic Works Exception for Ownership of Copyrighted Works

“Scholarly and Artistic Works” means copyrightable and copyrighted works that are in the nature of academic and scholarly works of authorship and works of visual art, including but not limited to photography, film, audio-visual works, sculpture, painting, choreography and the like. Scholarly and Artistic Works include by way of example 1) scholarly articles and papers written for journal publication, monographs, books, presentations and scholarly papers prepared for seminars and conferences, pedagogical works, and teaching and curriculum materials (including classroom lectures, seminars and presentations reduced by or for the author to written or other recorded form); 2) digital educational works, as described in section 2.3.5.2; and 3) paintings, drawings, musical compositions and performances, dramatic compositions and performance, poetry, fiction and other works of artistic expression authored by University faculty, post-graduate students, postdoctoral fellows and postdoctoral associates; provided that the works of University Students

authored pursuant to activities undertaken as Teaching Assistants shall not be considered scholarly or artistic works.

“Scholarly and Artistic Works” shall be and remain the property of their Creators (“Individually-Owned Works”) unless such copyrighted works are (i) developed as part of a University project, program or activity that is the subject of an external University agreement; (ii) developed within the scope of employment by non-faculty University Employees; or (iii) developed as part of a University-Commissioned project or program under §2.3.4 above. All Scholarly and Artistic Works described in the preceding sentence under (i), (ii) or (iii) are University-Owned and are hereby assigned to the University. In addition, the University is hereby assigned a non-exclusive, royalty-free license to use, reproduce and distribute for non-instructional administrative purposes all Individually-Owned Works that are used for teaching at the University. In instances when a faculty member ceases to teach a course before the end of the semester/summer session, the University is also hereby assigned the authority to provide the faculty member’s instructional materials to another instructor to ensure that there is course continuity.

2.4.2. Independently-Developed “Individually-Owned Intellectual Property”

Intellectual Property invented or created by individuals who are Covered Persons under this Policy that is not University-Owned as provided under §2.3, and not otherwise subject to an agreement between the Covered Person and the University, shall remain the property of the individual (“Individually-Owned Intellectual Property”). Except for Scholarly and Artistic Works that are considered Individually-Owned Works under § 2.4.1 and are used in conjunction with an individual’s teaching activities, a Covered Person shall not utilize his or her independently-developed Individually-Owned Intellectual Property in furtherance of activities on behalf of the University except in the following circumstances: (1) the covered person must disclose to, and obtain permission from, the Associate Vice President for Research, or other designee of the VPR, in writing, his/her intention to do so; (2) All such contemplated uses must be in conformance with the University’s Trademark’s Policy; (3) Within 30 days of receipt of such disclosure, the Covered Person will be notified by the Associate Vice President for Research or other designee of the VPR if permission to utilize the Intellectual Property has been granted and whether there are any conditions related to its use; (4) If the University denies permission, or the Covered Person fails to provide disclosure as required by this § 2.4.2, such Person’s use of the property shall be deemed a waiver of his/her rights to sue or otherwise seek legal redress for any alleged infringement by the University or any of the University’s officers, employees, students or agents.

Nothing in this §2.4.2 shall preclude a Covered Person and the University from entering into a mutually acceptable agreement for University use of Individually-Owned Intellectual Property.

2.4.3. Consulting and Outside Business Relationships

Faculty who engage in permitted outside professional services, including without limitation consulting to private companies, are responsible for ensuring that those activities and any related contractual arrangements are consistent and do not conflict with all applicable University policies and applicable contractual provisions, including those relating to intellectual property, and Conflict of Interest and Commitment, http://www.uvm.edu/policies/general_html/conflictinterest.pdf. All Covered Persons under this Policy have an obligation to inform all appropriate third parties, including companies with whom they have such a relationship, of the terms of this Policy with respect to ownership of Intellectual Property and other rights and responsibilities as expressed in this Policy. Under no circumstances will the University be deemed to have waived any of its rights under this Policy unless specifically agreed in a writing signed by a duly authorized University official.

2.4.4. Student Academic Work

It is the general policy of the University that University Students shall have ownership rights in Intellectual Property developed by them independently or as a part of their coursework, except where it is developed using University funds, or where the University student has a formal employment relationship with the University, or where the University has external obligations with respect to Student Intellectual Property. In such cases, Student Intellectual Property is hereby assigned to the University pursuant to §§ 2.3.1 and 2.3.2 of this Policy. The waiver provisions of §3.3.2 shall apply to University Students. Activities undertaken by University Students receiving financial aid as tuition assistance shall not be considered “University funds” unless such assistance consists of employment at the University (including, but not limited to teaching assistantships) or is charged against a grant, contract or other agreement between the University and an external funding source.

3. Implementation of Policy

3.1. Intellectual Property Assignment Agreement

All University faculty and staff, University Visitors and University Students who engage in activities that will or may result in University ownership of Intellectual Property in accordance with this Policy must, prior to participating in any such activity, execute the University’s Intellectual Property Assignment Agreement (“IPAA”), attached hereto as Appendix A. Execution of the IPAA is deemed a condition to participation in any such University activities. If the IPAA is not executed as required under this §3.1, such individual is nevertheless subject to this Policy as a condition of his or her participation. The University and all necessary parties must approve the use of any documents relating to ownership of intellectual property other than the IPAA.

3.2. Obligation to Disclose

All individuals participating in University activities as University faculty and staff,

University Visitors and/or University Students must disclose to the University in a timely manner any and all Intellectual Property as described in §2.1, invented or created (with the exception of works clearly subject to §§2.4.1, 2.3.5 and 2.4.2) by them so that the University can determine whether it has an ownership interest according to this Policy. Disclosure does not itself constitute a surrender or determination of ownership. Disclosure shall be made by completion of the appropriate Disclosure Form, appended to this Policy as Appendix B, and by submitting the Disclosure to the appropriate administrative offices as directed on the Form. Failure on the part of any Covered Person to complete the Disclosure Form(s) as required shall not in any manner impair or diminish the rights (including ownership rights) and obligations of either the University or the individual as described in this Policy. Covered Persons uncertain whether Intellectual Property developed by them during the period of their employment or relationship with UVM must be disclosed should consult with the Vice President for Research or his/her designee.

3.3. Determination of Ownership and Waiver

3.3.1. Determination of Ownership

Following receipt of a properly completed and signed Disclosure Form, the University will determine whether, consistent with this Policy, it is entitled to ownership of the Intellectual Property disclosed, and it shall promptly notify the inventor(s) or creators(s) in writing of its decision. University determinations as to ownership and disposition of Intellectual Property will be made in accordance with the institutional mission and principles stated in § 1 of this Policy and the requirements of applicable external agreements and obligations under applicable laws and regulations, with due regard for considerations relating to use of University facilities and resources. University action may, in some instances, include exercising ownership and thereafter placing the Intellectual Property in the public domain.

3.3.2. Waiver

The University may, after initially determining its ownership of certain disclosed Intellectual Property, determine that the University will not pursue or maintain protection for such Intellectual Property, for example in cases without the prospect for a revenue producing license. Where the University so determines that it will not pursue Intellectual Property protection and licensing of University-Owned Intellectual Property, it will promptly and in writing so advise the inventor(s) or creator(s). To the extent permitted by external obligations, including any applicable laws and regulations, the University may consider a request by the inventor(s) or creator(s) for waiver of ownership rights and the terms under which such waiver may be made. The University will not consider requests for waiver of ownership with respect to any Intellectual Property unless all inventors and creators, as legally determined, concur with the request for waiver. Ownership waivers, if granted, will be made to all relevant inventors and creators as joint owners. Waiver agreement terms between the University and the inventor(s) or creator(s) will include a perpetual, royalty-free right and license retained by the University to use the invention or software for its own internal purposes, and will be further subject to

any external obligations as may be required.

The University reserves the right to deny a waiver without itself pursuing Intellectual Property protection or licensing provided that, prior to such denial, the University will first obtain the advice of the advisory Committee established under § 5.3. In the event of a grievance, it will be the University's obligation to demonstrate the circumstances warranting denial of the waiver.

3.3.3. Timeliness

The University acknowledges the interests of inventors and creators in pursuing timely protection and/or publication of innovations and discoveries, and/or theses or dissertations. Once disclosure is made, the University will normally act within 75 days with respect to ownership determinations. If, notwithstanding its best efforts, the University concludes that this time period is or will be inadequate, the University will inform the affected parties in writing of the circumstances of the delay and the expected date of determination.

3.4. Process for Seeking Intellectual Property Protection

3.4.1. Invention Reporting and Determinations of Patentability

Following the disclosure of an invention pursuant to this Policy, the University's Vice President for Research or her/his designee (hereinafter "VPR") will be responsible for reporting the invention as required under the terms of external funding agreements, if any. Further, in good faith consultation with the inventor or inventors, the VPR will undertake a patentability review with the assistance of patent counsel if necessary, such counsel to be retained under the auspices of the Office of General Counsel where, in the discretion of the University, such a review is reasonable to procure based upon the potential commercial value of the invention. Where, in the University's sole discretion, the filing of a patent application is deemed appropriate, it shall be the University's responsibility to undertake such filing at its own expense (or at the expense of a third party pursuant to VPR agreement with such third party) and in its own name. Where appropriate, the University may assign University-owned inventions to a patent management organization or to such other entity or person as the University, in its sole discretion, deems advisable.

All inventors of University-owned inventions shall reasonably cooperate with the University or its designees or assignees in securing patent rights for inventions and shall diligently execute all documents as may be required. All patenting activities conducted at the behest of the University, its designees or assignees shall be at the expense of the University, its designees or assignees.

3.4.2. Protection Determinations with Respect to Computer Software

Upon disclosure of computer software pursuant to this Policy, the University's VPR will be responsible for reporting the disclosure in accordance with the

University's external contractual obligations, if any. Determinations of patentability of computer software will be made according to requirements of external contractual agreements and in good faith consultation with the inventors and authors of the software. To the extent consistent with its external obligations, the University will consult with inventors and authors of the software with respect to whether or not a patent application covering the potentially patentable elements of the software will be filed, provided that all final decisions shall be made by the University in its sole discretion, and in accordance with the University mission and purposes described in § 1 of this Policy. The University shall hold copyright to computer software code and accompanying documentation to which it has ownership rights under this Policy, consistent with external contractual agreements and law. Registrations for copyright shall be made in the University's sole discretion and at its expense. To the extent the University is the owner of computer software and documentation under this Policy other than as a work-for-hire, authors will cooperate with the University, its designees and assignees in executing any documentation required by the University to perfect a transfer of copyright, with any expenses to be borne solely by the University.

3.4.3. Copyrights other than Computer Software and Documentation

Copyright to works that are University-Owned will be held in the name of the University. Registration for such works shall be at the sole discretion of the University. Where a covered person has an interest in obtaining rights to use University-Owned copyrightable works in furtherance of an educational or research purpose, the University's VPR will cooperate with the individual to attempt to procure such rights as may be needed on a non-exclusive, no-cost basis. Where it is necessary for an individual to secure rights from a publisher, distributor or like third party to University-Owned copyrights, the University's VPR will negotiate with such party to enable use of University-Owned copyrights on a reasonable basis.

3.4.4. Trademarks and Service Marks

Trademarks and Service Marks that are University-Owned in accordance with this Policy and the University's Trademarks Policy http://www.uvm.edu/policies/general_html/trademark.pdf may be registered either federally, internationally, and/or with the State of Vermont in the sole discretion of the University. Determinations on applying for trademark and service mark registrations will be made by the VPR in consultation with the University's Office of General Counsel. Under no circumstance will the University permit the trademarking by any individual, whether or not associated with the University, of the name of the University of Vermont, or any abbreviation thereof, or the using as a trademark or service mark of any other mark, logo or indicia that is emblematic of the University.

3.4.5. Mask Works

The University, through its VPR, shall seek federal registrations for University-owned mask works at its discretion and consistent with external contractual obligations. Mask works for which registration is not pursued will, at the discretion of the VPR, be made generally available for public use in accordance with §3.5.

3.4.6. Tangible Research Property

University-Owned Tangible Research Property (“TRP”), as defined in §2.1.7, for which a patent application has not been filed will generally remain in the custody of the principal investigator of the research or other project or program under which it was developed, or if there was none, in the custody of the academic department chair or other appropriate administrative unit supervisor. If a covered individual wishes to transfer TRP to an investigator at a non-profit institution for research purposes, the covered individual must use a University-approved form of Materials Transfer Agreement (“MTA”). If a covered individual wishes to transfer TRP to another entity for commercial purposes, such transfer must be approved by the VPR or his/her designee. Faculty and students who have developed the TRP wishing to take copies or samples with them upon leaving UVM shall seek permission of the VPR or his/her designee prior to removing these types of materials from UVM and, in any event, title to the TRP shall at all times remain with the University. The VPR or his/her designee shall make a determination as to whether an individual’s new organization shall be required to execute a Material Transfer Agreement (“MTA”) covering TRP as a condition of using the TRP at that new organization.

3.5. *Sharing of Intellectual Property for Educational and Research Purposes*

The University will manage the Intellectual Property which it owns in a manner consistent with institutional mission and the principles set forth in § 1 of this Policy. A prime aspect of this objective is to facilitate access to its Intellectual Property by the educational, scientific and research communities for non-commercial educational and research purposes.

4. Commercialization of Intellectual Property

4.1. *Responsibilities of the Vice President for Research*

4.1.1. Reporting to Research Sponsors and Collaborators

The VPR has primary responsibility for notifying the University’s external research sponsors and collaborating parties of Intellectual Property developed under agreements with them. Recognizing that such reporting cannot be undertaken until Intellectual Property reports have been received from covered persons, the VPR is also responsible for developing, managing and retaining University Intellectual Property Assignment Agreements and the processing of Disclosure Forms.

4.1.2. Evaluation of Intellectual Property

The VPR is responsible for collecting all information necessary in order to conduct an evaluation of disclosed Intellectual Property, subject to a duty of reasonable cooperation on the part of disclosing inventors and creators. Information collection includes, but is not limited to, ascertaining participating inventors and creators, sponsored research funding, if any, and any encumbrances that may have attached to the Intellectual Property either through prior commitments or through use of third-party owned intellectual property to which the University does not have full and unrestricted rights. In conducting such evaluations, the VPR will communicate with inventors and creators to ensure full and accurate information.

4.1.3. Election of Title and Waiver of Rights

The VPR has primary responsibility for making reasonably prompt determinations on election to retain title to Intellectual Property where such elections are required by funding sources, such determinations to be made in any event within any time frame required by external sponsors.

All waiver of rights requests by inventors and authors submitted as provided under §3.3.2 shall be directed in writing to the Office of the VPR. The VPR shall respond promptly and in writing to requests, such response to inform the requestor(s) of the status of the request. A waiver of rights might first also require sponsor approval. In the event a waiver of rights is determined to be appropriate, the VPR shall negotiate the conditions of such waiver with the requestor(s) including, but not limited to, terms for reimbursement to the University of patent expenses, if any, retained rights of the University to use the waived Intellectual Property for purposes of education and research, transfer of sponsor reporting obligations, sharing of royalties, indemnification terms, and any other terms as appropriate. It is understood by inventors that as a consequence of federal law, the University does not have authority to waive title to inventions developed with federal funding; nevertheless, upon request of inventors and in the University's sole discretion, the VPR may support the inventor(s)' request for waiver from the appropriate federal agency.

4.1.4. Licensing for Commercialization

Commercialization of University-Owned Intellectual Property shall be undertaken and managed by the VPR, with support from such other units within the University as deemed necessary or desirable. Authority to sign licenses or other agreements concerning the transfer or other disposition of University-owned Intellectual Property shall rest with the VPR and with such other officials as the University may duly authorize. In no case shall inventors or creators of University-owned Intellectual Property have authority to enter into agreements respecting the University's Intellectual Property. Any such attempted agreements are void.

- 4.1.4.a. The University will license its Intellectual Property in a manner that conforms to the mission and principles set forth in §1 of this Policy and consistent with its policy on Conflict of Interest as described in §4.1.7 below.
- 4.1.4.b. The University VPR shall have the authority to engage a third-party as a licensing agent to act on behalf of the University. In addition, nothing in this Policy shall be interpreted to preclude the University from joining with like institutions and non-profit organizations for the joint conduct of technology commercialization activities.
- 4.1.4.c. Where licensing University Intellectual Property to University faculty, staff or students (such persons including inventors or creators of the Intellectual Property being licensed) is not inconsistent with the terms of an external University agreement and does not otherwise disadvantage the University, the University may in its discretion consider proposals for licensing to such faculty, staff or students on a non-preferential, non-discriminatory basis. Recognizing the potential for conflict of interest in transacting business with its faculty, staff and, students, the University may establish guidelines in addition to existing Conflict of Interest policies that specifically address real and potential conflicts of interest in licensing.

4.1.5. Distribution of Licensing Revenues

- 4.1.5.a. “Royalty Income” shall mean all revenues received by the University through the licensing or other transfer of University Intellectual Property. For the purposes of this definition, revenues shall include, but are not limited to, fees, milestone payments and percentages of gross or net sales of licensed products. Notwithstanding the foregoing, “royalty income” shall not include funds paid into the University as reimbursement for patent costs, to support research, for any services supplied by the University, or for equipment, including but not limited to technological or scientific devices or computer software, even though the University may receive them pursuant to a licensing transaction.
- 4.1.5.b. “Net Royalty Income” shall mean all Royalty Income, less:
- i. the University’s out-of-pocket costs for securing and maintaining legal protection, such as patenting and prosecuting or defending against infringers;
 - ii. the University’s out-of-pocket costs associated with the utilization of a licensing agent or organization if applicable;
 - iii. the University’s out-of-pocket costs associated with any *UVM Ventures* or UVM seed funding that has been provided to the creator for the commercialization of the intellectual property,
 - iv. the cost of duplication, shipping and handling, where applicable; and

v. in the case of digital educational materials, the University's internal costs of production.

4.1.5.c. Net Royalty Income shall be distributed as follows: 50% to the creator(s), 50% to the University. Any distribution to a supporting unit of the University's share of net Royalty Income shall be in the discretion of the VPR. . Distribution and shares of Royalty Income to be determined by the Intellectual Property Policy in effect at the time a license for the creation is signed.

4.1.5.d. Royalty Income Distribution – Special Cases. When creators of Intellectual Property that is not patentable cannot be reasonably ascertained, the VPR will review the circumstances in consultation with the relevant parties. If such consultation does not yield identification of the creators, royalties will be shared between the academic department(s) or administrative unit(s) and the University. In any such instance, final distribution of net royalty income for such intellectual property is subject to the determination of the VPR.

4.1.5.e. For Intellectual Property owned by joint creators or inventors, the royalty share for the inventor/creator shall be shared equally, unless all inventors or creators agree otherwise.

4.1.5.f. It is the policy of the University that administrative and University shares of royalty income shall be used to further the educational and research interests of the University, and may be used as reasonably necessary for the support and advancement of the University's technology commercialization program.

4.1.5.g. Any inventor or other third party entitled to receive royalty income under this policy may waive that share with the approval of the VPR or in accordance with the guidelines established by the VPR.

4.1.6. Licensing Transactions Involving Equity

Where, in the discretion of the VPR, it is in the interests of the University to enter into a licensing transaction that involves the acceptance of company stock, stock options, warrants or other indicia of ownership ("Equity") in lieu of or in combination with royalties payable as dollar amounts, the University may enter into such transactions in accordance with any and all applicable federal and state law. The University recognizes that its inventors and creators, while not parties to the transaction, are important to the success of any licensing activity involving their discoveries and writings. Prior to entering into any license involving the transfer of equity which inventors or authors are entitled to share under this Policy, the VPR, or his or her designee, will discuss with inventors and authors who do not wish to hold an equity interest whether there is a reasonable alternative that will better accommodate the interests of the inventor(s) or author(s), provided that, failure to identify such reasonable alternative shall not impair or vitiate the University's right to participate in an equity transaction.

- 4.1.6.a. Inventors and/or creators of the licensed Intellectual Property shall be entitled to 50% of the University's equity. In all such cases, the licensee company will be directed to issue the equity, in whatever form necessary for the issuance, directly to the inventors and/or creators, deducting such shares from the overall shares negotiated with the University as consideration for the license. It is the policy of the University that it will not hold equity for the benefit of inventors and/or creators.
- 4.1.6.b. Where the University transacts a licensing arrangement with a company that includes the payment of royalties in cash as well as equity, all inventors and creators will be entitled to their otherwise established share of cash royalties, regardless of whether they have also received an equity share.

4.1.7. Conflict of Interest and Conflict Avoidance in Equity Transactions

- 4.1.7.a. Where an inventor or creator holds or will acquire an equity or founder's stock and/or option position in a company to which Intellectual Property that the inventor or creator helped develop is licensed by the University, the University will accept an equity position in lieu of all or a portion of cash royalty only with the approval of or his or her designee. In all such situations, inventor(s) and creator(s) who remain in the employ of the University will not use University students for research and development projects sponsored by the company without expressly disclosing to students the inventor(s)/creator(s)' equity ownership interest in the company and without the express approval of the academic department chair or other appropriate administrative unit supervisor. In addition, inventor(s)/creator(s) will not restrict or delay access to their research results so as to benefit the company (apart from any University- authorized agreement with the company) and will not engage in such other activities that may create a presumption of conflict of interest between their activities as faculty or staff of the University and their activities with or on behalf of the company. The limitations and conditions of this paragraph are in addition to those required by the University's conflict of interest or other related policies.
- 4.1.7.b. In situations where the University is negotiating the licensing of Intellectual Property with a company, it is a prohibited conflict of interest for any University faculty or staff member who supervises an inventor or creator of that Intellectual Property to influence or attempt to influence the licensing negotiations. In addition, it is a prohibited conflict of interest for such supervisory personnel to co-found or invest in a University-licensed start-up company with inventors or creators under their supervision.
- 4.1.7.c. To avoid any real or apparent conflict of interest or conflict of commitment, University personnel engaged in technology transfer activities as part of the office of the VPR or his/her designees will not personally invest in non-public companies holding licenses to University intellectual property either directly or, in the case of personnel identified above who are partners in venture funds, will not engage in University licensing negotiations with any company in which that fund is invested. Except as otherwise required by law,

Office of the VPR personnel will assure that confidential or proprietary information to which they have access in carrying out their University responsibilities is not disseminated in such a way as adversely or favorably to affect the value of or market for stock in any company about which they have special knowledge and will not use that knowledge for investment purposes by themselves, their families, friends or business associates.

5. Policy Interpretation, Implementation and Oversight

5.1. Responsibility for Oversight

Except as otherwise specified in this policy or as otherwise duly authorized by the University, the Office of the VPR has responsibility for the interpretation, implementation and oversight of this Policy. The VPR will issue such administrative guidelines and procedures to facilitate Policy as may be reasonable and consistent with it. In accordance with otherwise applicable University policy or contract terms, the University may also pursue disciplinary, or civil or criminal action, for Policy violations.

5.2. Exceptions to Policy

Exceptions to this Policy shall be authorized only upon approval of the Provost in consultation with the VPR. It is in the interest of the general University community that exceptions are kept to a minimum and granted only upon demonstrable extenuating circumstances with the advice of the Research and Scholarship Advisory Committee pursuant to § 5.3 below.

5.3. Research and Scholarship Advisory Committee

The Provost shall appoint an Advisory Committee comprised minimally of two members of the United Academics full-time faculty bargaining unit (one of whom will be designated by United Academics), and a staff member. The purpose of this Committee is to advise the VPR on matters concerning this Intellectual Property Policy, and questions of interpretation or exceptions to this Policy.

6. Miscellaneous

6.1. Effective Date of Policy

This Policy shall be effective upon approval by the President in accordance with governing requirements and upon contract ratification by represented employees as required by law.

6.2. Policy Review and Changes

The Provost will periodically initiate review of this Policy to address legal developments and to reflect experience gained in its administration. Policy changes will be made in accordance with governance and applicable legal requirements and, as to bargainable provisions affecting represented employees, the applicable collective bargaining agreement(s).

Definitions

None

Procedures

See Policy Elaboration

Forms

Relevant forms appear in the appendices to this policy.

Contacts

Questions related to the daily operational interpretation of this policy should be directed to:

The Office of Technology Commercialization
(802) 656-8780
innovate@uvm.edu

The Vice President for Research (“VPR”) is the university official responsible for the administration of this policy.

Related Documents / Policies

Conflict of Interest and Conflict of Commitment Policy
http://www.uvm.edu/policies/general_html/conflictinterest.pdf
Financial Conflict of Interest in Sponsored Research
<http://www.uvm.edu/policies/grants/researchcoi.pdf>
Misconduct in Research and Other Scholarly Activities Policy
<http://www.uvm.edu/policies/grants/researchmisconduct.pdf>
Trademarks Policy
http://www.uvm.edu/policies/general_html/trademark.pdf
Research Data Retention Policy (under development)

Also note: Represented faculty and staff are subject to relevant provisions of governing collective bargaining agreements.

Effective Date

V.3.2.1.2 Approved by the President on May 9, 2013

V.3.2.1.1 Approved by Senior V.P. and Provost on behalf of the President on February 7, 2006

Appendices

Appendix A: Intellectual Property Assignment Agreement

http://www.uvm.edu/~uvmppg/ppg/general_html/IPappendixA.pdf

Appendix B: Invention Disclosure Form

<https://www.uvm.edu/uvminnovations/forms/Disclosure.docx>