

POLICY STATEMENT

August 15, 1988

RECEIVED

AUG 19 1988

Academic Senate Office

Number: 88-05

Superseded by 95-08

File: Inventions/Patents

THIS IS AN INTERIM POLICY BY THE PRESIDENT. AFTER
REVIEW AND DEVELOPMENT BY THE FACULTY, IT WILL BE
BROUGHT THROUGH THE NORMAL UNIVERSITY PROCEDURES.

SUBJECT: POLICY ON INVENTIONS AND PATENTS

I. PREAMBLE

The primary purposes of the University are to teach, to expand knowledge through scholarly studies and research, and to disseminate the results of such studies and research. Incident to these primary activities, arise inventive concepts and discoveries relating to new and useful compositions, devices, processes and procedures, which can best serve the public interest by being brought into the commercial marketplace.

California State University, Long Beach ("the University"), in administering intellectual property rights for the public benefit, desires to encourage and assist faculty, staff, students and others associated with the University to use the protection and rights of the patent system for their discoveries and inventions. The University recognizes the need for and desirability of encouraging the broad utilization of the results of University research not only by scholars, but in their practical application for the general public benefit. The University recognizes the importance of the patent system in bringing innovative research findings to practical application. Within the University, innovative research may generate inventions even though the research was conducted for the primary purpose of gaining new knowledge. The use of University facilities or services, particular assignment of duties or conditions of employment, the rights of a participating agency where research is supported from extramural funds, and other situations may give rise to a complex of interrelated rights, which must be appraised and appropriately disposed by agreement between the parties.

Therefore, to encourage practical application of research for the broad public benefit, to appraise and determine relative rights and equities of all parties concerned, to facilitate the granting of patents, to facilitate licensing, to assure equitable distribution of revenues, to assist in obtaining funds for research, to provide for the use of

invention-related income for the support of research and education, and to provide a uniform procedure in patent matters, the following policy is set forth.

II. STATEMENT OF POLICY

- A. An agreement to assign all inventions and patents to the University, except those resulting from permissible consulting activities not making use of University facilities, shall be required of all employees, of persons not employed by the University but who made or make use of University facilities, and of those who receive gift, grant, or contract funds through the University or the California State University, Long Beach Foundation (herein called the "Foundation"). Exceptions to such agreements to assign may be authorized by the University in those circumstances when the mission of the University is better served by such action, provided that contractual obligations to other parties are met and such exemptions are not inconsistent with other University policies.

In the absence of contractual obligations to outside sponsors of research, the University may release patent rights to the inventor(s) in those circumstances when the University elects not to file a patent application and the inventor(s) is prepared to do so at his sole cost and expense, and provided that no work on that invention will be conducted using University support or facilities, and provided further that the University is granted a paid-up, non-exclusive, royalty-free license to practice the invention for its own research and educational purposes.

- B. Those individuals who have so agreed to assign inventions and patents shall promptly report and fully disclose the conception and/or reduction to practice of all inventions to the Director of University Research. They shall execute such declarations, assignments, or other documents as may be necessary in the course of invention evaluation, patent prosecution, or protection of patent or analogous property rights, and render such assistance as may be required in these regards to assure that title in such inventions shall be held by the University. However, circumstances may arise that would not allow the University to hold title to an invention. Such circumstances include, but are not limited to, those situations where there are contractual obligations of the University arising from gifts, grants, contracts, or other agreements with third parties.
- C. Subject to restrictions arising from contractual obligations of the University pursuant to gifts, grants, contracts, or other agreements with third parties, the University agrees to pay annually to the named inventor(s), 50% of the net royalties and fees received by the University from the licensing or sale of any invention. Net royalties are defined as gross royalties and fees, less the cost of patenting, protecting, and preserving patent rights, maintaining patents, the licensing of patent and related property rights, and such other costs, taxes, or reimbursements as may be necessary, prudent or required by law.

When there are two or more inventors of an invention, each inventor shall share equally in the inventor's share of royalties, unless all inventors previously have agreed in writing prior to the acceptance of their disclosure to a different distribution of such share. If the co-inventors are not able to reach unanimous agreement as to the allocation of the inventor's share among the individual inventors, the Director of University Research with the advice of the Patent Advisory Committee shall review the case and determine conclusively how such inventor's share shall be allocated among the co-inventors. Distribution of the inventor's share shall be made annually from the amount received during the penultimate calendar year.

In the event of any litigation, actual or imminent, or any other action to protect patent rights, the University may withhold distribution and impound royalties until resolution of the matter.

- D. In the disposition of any net income accruing to the University from patents or other inventions, first consideration shall be given to the support of research at the University.

III. PATENT RESPONSIBILITY AND ADMINISTRATION

- A. The University Invention and Patent Advisory Committee (herein referred to as the Committee) is responsible for advising the Director of University Research with regard to implementation of this policy and related matters, including:

1. reviewing and proposing University policy and amendments thereto on intellectual property matters including patents, copyrights, trademarks, know-how and tangible research projects;
2. reviewing proposed exceptions to established policies;
3. evaluating inventions and discoveries with regard to desirability of and filing and prosecuting of patent applications; and
4. advising the University on patent-related issues arising from activities of faculty, staff, and students, including inventorships, equities between the inventors and the University, inventor participation in financial returns, and the disposition of patent rights which the University elects not to exercise.

- B. The University Invention and Patent Advisory Committee shall be composed of at least seven members, including the Vice-President for Academic Affairs (or designee), the Director of University Research, and a Foundation staff person for Grants and Contracts Administration. Other members shall be appointed to the Committee by the President in consultation with the Chair of the Academic Senate.

- C. If the University has an interest in pursuing patent development, it will in general assign the right of the invention to the Foundation.

PATENTS AND INVENTIONS PROCEDURES

I. DISCLOSURE

- A. In order to initiate the steps outlined in this document, it is necessary for an inventor, as soon as an invention is made, to complete the University Disclosure of Invention Form (Appendix A) and submit it to the CSULB Office of University Research. This should be accomplished prior to, or at least concurrent with, submission for publication.
- B. Where any resources, facilities, faculty, staff or students of the University are involved in the development of inventions, the following procedures shall be followed:
1. University faculty, staff and students or individuals using University facilities who, either alone or in association with others, make an invention in which the University has or may have an interest shall formally disclose such inventions on forms provided for this purpose by the Office of University Research. The Office of University Research will acknowledge in writing the receipt of completed forms and will distribute such forms to the University Invention and Patent Advisory Committee for review.
 2. The federal government and other sponsors of research may require formal agreements between the University or the University Foundation and those connected with sponsored projects. Therefore, where the sponsor requires a formal agreement, the University will require all faculty, staff, students, or other persons who wish to participate in such projects to enter into the University Patent Agreement.
 3. In the event that the University is required to contract with outside agencies to conduct selected parts of sponsored research projects, patent agreements shall be obtained from all such agencies.
 4. Any faculty, staff, students, or other persons who are connected with the University and who are also engaged in outside consulting activities should exercise care in determining that patent clauses in their consulting agreements are not in conflict with the patent policy of the University or provisions of the University Patent Agreement. The Office of University Research in consultation with the appropriate body of the University and/or legal counsel shall examine and resolve conflicts or potential conflicts of interest arising from outside activities of faculty, staff, students or other persons in regard to patent matters.

5. If the University chooses neither to file a patent application nor otherwise make commercially available an invention in which it can assert its rights, the University through the Office of University Research will release the rights to the invention in writing to the inventor(s). If the University has filed a patent application and decides to abandon the patent afterwards, the Office of University Research shall notify, in writing, the inventor(s). All rights at the University's discretion may be released by written agreement to the inventor.
6. In cases where a discovery or invention was supported in whole or in part through the California State Fund for Innovation and Improvement, the University's Patent Policy and the Patent Policy of The California State University and Colleges shall apply. The Patent Policy of the CSU system reads:

"Patents are created by the Constitution and the laws of the United States to recognize the ownership of inventions by individuals. Patents give the inventor the exclusive right of making, using, or selling the invention throughout the United States for a specified period of time.

It is not the policy of The California State University and Colleges to take title to a patentable invention or discovery which was developed pursuant to grants from the State Fund for Innovation and Improvement; nevertheless, The California State University and Colleges shall have the permanent right to the free, non-exclusive use of any invention developed with such funds without fee of any kind whatsoever."

II. REVIEW AND DISPOSITION

- A. The University Invention and Patent Advisory Committee will review every disclosure of invention. The inventor or inventor's representative shall be allowed to examine all written materials submitted to the Committee in connection with an invention and to make a written and, where practicable, oral presentation to the Committee.
- B. The Committee shall recommend to the Director of University Research the disposition of inventions or other developments made by faculty, staff, students or other persons who made or make use of University facilities.

Appendix A

CONFIDENTIAL

California State University, Long Beach

DISCLOSURE OF INVENTION

SUBMIT TO THE DIRECTOR, OFFICE OF UNIVERSITY RESEARCH, LIBRARY E-115.

Pursuant to the Patent Policy of California State University, Long Beach, I/we hereby disclose details about the following invention:

1. Inventor(s): (List name, professional affiliation, mailing address, and telephone of each inventor, and their proportional share of the invention. Underline name of person to contact for more information.)

2. Title of Invention:

3. Date of Invention: (Indicate actual or approximate dates.)

Earliest conception:

Experimentation period:

Reduction to Practice:

4. Description of Invention:

- a. Classify invention as one or more of the following: a new process, composition of matter, a device, one or more products, a new use for or an improvement to an existing product or process (circle appropriate description).

