

PROPOSED INTELLECTUAL PROPERTY POLICY AND PROCEDURES

Rationale

At present, SF State does not have an Intellectual Property Policy, leaving the University vulnerable to a number of potentially serious problems. Such a policy is needed to specify the ownership of inventions and copyrights, and the manner in which royalties are allocated when a commercial license is obtained. In addition, the federal government, through the Bayh-Dole Act, requires that institutions that receive federal grants post an Intellectual Property Policy to protect ownership of inventions resulting from such funding. Currently, SF State is out of compliance with this regulation.

At the end of spring 2008, the Strategic Issues Committee (SIC) under the leadership of its Chairs, Genie Stowers (Public Administration) and Bruce Robertson (Marketing), placed a proposed SFSU Intellectual Property Policy before the Academic Senate in First Reading. The policy evoked a lengthy discussion, which made clear that it needed vetting with a larger group of SF State stakeholders and extensive revisions. Rather than return the Intellectual Property Policy to SIC, SIC through the Academic Senate Executive Committee, helped form an Intellectual Property Policy Taskforce, headed by Jaylan Turkkkan (AVP for Research and Sponsored Projects), and including Mark Ciotola (Design and Industry), Ramón Castellblanch (Health Education and SF State CFA President), Barry Rothman (Biology and SIC Chair) and Don Taylor (Dean, Health and Human Services and SIC member). After a number of meetings, the Intellectual Property Policy Taskforce submitted to SIC and the Academic Senate Executive Committee the revised policy shown below.

1 Scope

2 This policy covers the many forms of intellectual property associated with the creative
3 and scholarly activities of faculty, students, administrators, and staff. This document sets forth a
4 statement of policy regarding the ownership of, and procedures for, the exploitation of this
5 intellectual property. Intellectual property created before the effective date of this policy is
6 subject to the policies/understandings in place at the time of the project's undertaking. The
7 policy outlined in this document will be reviewed in no fewer than two years from the date it has
8 been adopted as University policy. This will ensure that it continues to effectively serve the
9 needs of SF State faculty, students, administrators, and staff.

10

11 Governing Principles

12 The following principles should guide the application and interpretation of this Policy
13 and Procedures:

- 14 1. *Encouragement of Intellectual Property Development.* The faculty, students, administrators,
15 and staff of San Francisco State University (SF State) recognize that all members of the
16 University community benefit from the development of intellectual property, and the creation
17 of such materials and products is encouraged and supported. Moreover, SF State as a public
18 agency shall evaluate whether inventions should be reduced to practice.
- 19 2. *Reasonableness and Fairness.* This policy sets forth general principles and procedures, and is
20 not designed to address every conceivable circumstance. Under the principle of fairness, if
21 the need for corrections or exceptions to this policy is identified, appropriate
22 recommendations shall be made by the Academic Senate to the President.
- 23 3. *Disclosure and Transparency.* SF State promotes both the disclosure and avoidance of actual
24 and apparent conflicts of interest associated with external commercial activities.

25

26 **Definitions**

- 27 1. According to the United States Patent and Trademark Office, *Intellectual Property* refers to
28 “creations of the mind” - creative works or ideas embodied in a form that can be shared, or
29 can enable others to recreate, emulate, or manufacture them. This document addresses the
30 following three ways to protect intellectual property: *copyright*, *patents*, and *trademarks*.
- 31 2. *Copyright* is a form of protection, available to both published and unpublished works,
32 provided by the laws of the United States [Title 17, U.S.C., § 102(a)] to the authors of
33 “original works of authorship fixed in any tangible medium of expression, now known or
34 later developed, from which they can be perceived, reproduced, or otherwise communicated,
35 either directly or with the aid of a machine or device. Works of authorship include the
36 following categories: (1) literary works; (2) musical works, including any accompanying
37 words; (3) dramatic works, including any accompanying music; (4) pantomimes and
38 choreographic works; (5) pictorial, graphic, and sculptural works; (6) motion pictures and
39 other audiovisual works; (7) sound recordings; and (8) architectural works.” Copyright is
40 owned by the creator and is secured automatically when the work is created; a work is
41 “created” when it is fixed in a copy or phonorecord for the first time.

- 42 3. A *patent* for an invention is a grant to the patentee, his/her heirs or assigns, of the right to
43 exclude others from making, using, offering for sale, or selling the invention throughout the
44 United States or importing the invention into the United States, and, if the invention is a
45 process, of the right to exclude others from using, offering for sale or selling throughout the
46 United States, or importing into the United States, products made by that process, referring to
47 the specification for the particulars thereof [Title 35 U.S.C., § 154(a)(1)]. A patent is
48 granted to the inventor of a new and useful machine, design, or plant after submitting an
49 application and paying appropriate fees. The right conferred by the patent grant extends
50 throughout the United States. International patents exclude others from making, using or
51 selling the invention in other countries.
- 52 4. A *trademark* is a word, name, symbol, or device, or any combination used, or intended to be
53 used, in commerce to identify and distinguish the goods of one manufacturer or seller from
54 goods manufactured or sold by others, and to indicate the source of the goods. In short, a
55 trademark is a brand name. A service mark is any word, name, symbol, device, or any
56 combination, used, or intended to be used, in commerce, to identify and distinguish the
57 services of one provider from the services provided by others, and to indicate the source of
58 the services. The terms “trademark” and “mark” are commonly used to refer to both
59 trademarks and service marks.
- 60 5. *Creator(s)* are individuals or a group of individuals, singly or as a group, who make a
61 substantive contribution to the creation of intellectual property. These individuals may
62 include faculty (including lecturers), staff, or students (undergraduate, graduate, or
63 postdoctoral).
- 64 6. An *invention* is any invention or discovery which is or may be patentable or otherwise
65 protectable under this title or any novel variety of plant which is or may be protectable under
66 the Plant Variety Protection Act (7 U.S.C. 2321, et seq.), [Title 35 U.S.C., § 201(d)].
67 Patentable inventions include any new and useful process, machine, manufacture, or
68 composition of matter, or any new and useful improvement thereof [Title 35 U.S.C., § 101].
- 69 7. *Inventor(s)* are individuals or a group of individuals, singly or as a group, who contribute to
70 the conception of an invention. These individuals may include faculty (including lecturers),
71 staff, or students (undergraduate, graduate, or postdoctoral). See Title 35 U.S.C., § 116 for
72 more information.

- 73 8. *Sponsors* are individuals, public/private agencies, or public/private companies that provide
74 funding or have a contractual relationship with the Creator or Inventor.
- 75 9. *Full Commission or Assignment*. Intellectual property shall be commissioned or assigned
76 when there exists between SF State, acting through any of its agents or auxiliaries, and the
77 Creator(s) or Inventor(s), a contractual agreement to develop that specific intellectual
78 property. For a commission or assignment, the contractual agreement shall specify the terms
79 applying to ownership of the intellectual property and the distribution of royalties between
80 the Creator(s) or Inventor(s) and SF State.
- 81 10. *Ownership*. Party or parties who own or control rights to an invention, whether patented or
82 not.
- 83 11. *Facilities*. Any resources available to a Creator as a direct result of the Creator's affiliation
84 with SF State or its auxiliaries. These may include SF State-owned or -leased offices,
85 research facilities or stations.

86

87 **Ownership of Intellectual Property**

88 The SF State President or his/ her designee is responsible for overseeing policy matters
89 relating to intellectual property and affecting SF State's relations with Inventors and Creators,
90 public agencies, private research sponsors, industry, and the public. Disputes in ownership will
91 be deliberated by the University Research Council, and a recommendation will be made to the
92 President's designee for policy matters relating to Intellectual Property (currently the Associate
93 Vice President for Research and Sponsored Programs).

- 94 1. *Copyright*. Creators own their traditional academic copyrightable works (books, articles,
95 dissertations, papers, study guides, syllabi, lecture materials, online course materials, tests or
96 similar items, novels, poems, musical compositions, and other creative expressions). SF
97 State recognizes that faculty and students should benefit from the results of their work.
- 98 a) In all cases of course material development, SF State retains exclusive right to course
99 number and description as listed in SF State catalogs. The Creator(s) retains the rights to
100 distribute the work and is not obligated to share any part of the revenue from the sale or
101 licensing of the content with SF State or, except as provided otherwise in this policy or

102 state or federal law, with any office or organization within SF State. The Creator(s) has
103 sole responsibility for the registration of material for which SF State has no proprietary
104 interest.

105 b) Intellectual property developed by faculty as a “work for hire” and Fully Commissioned
106 by SF State, or developed by a non-faculty employee within the scope of his or her
107 employment and/or specifically ordered or commissioned for use by SF State, shall be
108 owned solely by SF State, both in copyright and distribution. SF State has responsibility
109 for the registration of works for which it has exclusive ownership.

110 2. *Trademarks.* Because trademarks are generally created during the commercial exploitation
111 of intellectual property, ownership of the trademark shall be held by the entity responsible for
112 commercial development of the intellectual property. The trademark owner is responsible
113 for maintaining and defending the trademark.

114 3. *Patents Resulting from Sponsored Research.* Sponsored program agreements (including, but
115 not limited to, those projects sponsored by federal or state government, private foundations,
116 and private individuals, industries or public companies) often contain provisions with respect
117 to patents and licensing of inventions. Government sponsors, under the Bayh-Dole Act,
118 would generally assign ownership of an invention to SF State, with typical requirements of
119 federal agency disclosure of such inventions, and occasional requirements of public sharing
120 of publications resulting from such support. Under SF State policy, title to inventions
121 resulting from sponsored research from any source outside of SF State or its auxiliaries shall
122 be held in full (100%) ownership of the University. Furthermore, the inventor (or inventors)
123 shall receive 50% of any net royalties generated from a licensed invention, with each
124 inventor sharing equally in the inventors’ share of royalties when there are two or more
125 inventors. The inventor(s) shall promptly disclose to the Office of Research and Sponsored
126 Programs (ORSP) any prior inventions by means of an Invention Disclosure form. In cases
127 of private or public industry sponsorship, ownership of inventions shall be deliberated by the
128 University Research Council, and a recommendation made to the President’s designee for
129 policy matters relating to Intellectual Property (currently the Associate Vice President for
130 Research and Sponsored Programs), in advance of execution of a sponsored agreement.

131

132 **Exploitation of Intellectual Property**

133 It is in the interest of SF State and of Creators that intellectual property created as a result
134 of the educational mission of the University be widely distributed for the benefit of the broader
135 community of scholars. When dealing with the commercial exploitation of intellectual property,
136 the intent of this policy is to ensure the costs of commercial exploitation and the financial
137 benefits of commercial exploitation are distributed equitably. SF State may, after evaluation,
138 actively pursue development of intellectual property in which it has an interest. Should SF State
139 decide not to exploit property in which it has a shared interest, the creator shall be given the right
140 to exploit the property.

141 1. *Assignment of ownership rights for copyrighted material.*

142 a) As stated in the section regarding **Ownership of Intellectual Property** above, Creators
143 own their traditional academic copyrightable works, and SF State will release its
144 proprietary interest to the Creator(s) unless it falls under the guidelines of “work for hire”
145 (see 1b in the above-referenced section).

146 2. *Disclosure and ownership rights for patented material.*

147 a) To protect the inventor's and SF State’s interests, each inventor shall disclose to the
148 ORSP at the time of employment any inventions conceived, reduced to practice,
149 developed, or being developed by the inventor.

150 b) Such disclosures shall be made in writing as soon as possible, but no later than 30 days
151 before the date of first publication of the invention.

152 3. *Development, Promotion and Licensing of Media, Products and Other Intellectual Property.*

153 With consent of the intellectual property owner, the Associate Vice President for Research
154 and Sponsored Programs or his or her designee shall evaluate all intellectual property for
155 potential development, promotion and licensing of each creation. The University Research
156 Council shall be consulted about the extent to which a patent will be developed, promoted, or
157 licensed, whereas the Owner shall be solely responsible for pursuing development of a given
158 copyright.

159 a) In promoting the distribution of any intellectual property, SF State is free to enter into
160 agreements with any outside agent which it deems will successfully aid SF State in
161 promoting the product. If a particular creation is to become subject to such an agreement,

162 this shall be made known to the Creator(s), who will also be consulted about any rules
163 governing the relationship among the outside agent, SF State and the Creator(s) due to
164 such agreement. The Creator(s) or his/her representative shall be a member of the
165 committee selecting the licensing agent and shall participate in the development of the
166 licensing agreement.

167 b) SF State is free to enter into any licensing agreements that it deems beneficial to the
168 University, the Creator(s) and the public in general, provided such agreements are not
169 prohibited by a sponsoring agency's rules or regulations. Any terms governing the
170 relationship among the licensee, SF State, or the Creator(s) due to such licensing
171 agreements shall be disclosed to the Creator(s), the Dean of the College, the Provost, the
172 Vice President for Administration and Finance, and the President.

173 c) Any commercial license or assignment for any intellectual property shall include the
174 reserved right for SF State to use the intellectual property for research or educational
175 purposes free of royalty.

176 d) Creators of intellectual property owned wholly by the creator may, at their option, refer
177 their property to SF State for commercial exploitation. If the Provost recommends such a
178 disposition, and upon execution of an assignment of rights with SF State, costs and
179 royalties resulting from this exploitation would be shared as described in this policy.

180 4. *Allocation of Costs and Revenues.*

181 a) In the absence of any contract to the contrary, and where there is a shared proprietary
182 interest, any net royalty income from intellectual property will be split equally (50%-
183 50%) between the University and the inventor(s). All income received by SF State from
184 the commercialization of University-owned intellectual property will be used to support
185 research infrastructure at the University.

186 b) If the intellectual property creation is the result of sponsored research, and in the rare
187 instance where the sponsoring agency or party may regulate the distribution of royalty
188 income, such regulations shall apply rather than those in the above paragraph.