

UPS 100.005

PATENT POLICY

I. POLICY

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 there may arise from time to time inventive concepts and discoveries relating to new and useful compositions, devices, processes and know-how of a patentable or marketable nature.

II. OWNERSHIP OF INVENTIONS; UNIVERSITY SHOPRIGHT

Except where specific agreements provide otherwise, ownership rights to inventions rest with inventors, subject to shoprights for the University where such inventions arise from activities undertaken with funds or facilities administered by the University. However, in securing sponsorship of research projects the University may, with the consent of principal investigators and with assurance that the public interest will be served thereby, enter into agreements where, as a consideration for such support, the University will consider the sponsor's specific procedures, terms and conditions governing the disposition of the inventions.

Under the University's policy, rights to inventions will normally rest with individual inventors. Persons to be employed on sponsored projects shall, under certain conditions, be required to enter into agreements to assign inventions there under to the University for its management or disposition in conformance with the sponsor's policy.

III. PATENT MANAGEMENT PROGRAM

The California State University, Fullerton Foundation is an auxiliary organization devoted to the goals of California State University, Fullerton. One function of the Foundation is to provide for the administration of patenting inventions to protect such inventions when patented, and to provide for a sound-licensing program designed primarily to implement the benefits of research.

To facilitate this function, the Foundation directors shall appoint a Board of Patents. The Board of Patents shall have the power to organize itself, subject to the provision that it meet at least once each year; and the members shall serve without compensation at the pleasure of the Foundation directors.

The Board shall consist of nine persons including five CSUF faculty members and the Associate Vice President for University Research (or designee). After consultation with the Academic Senate, the University President shall recommend the five faculty members to the Foundation directors. The Board shall provide for the discharge of its members at the termination of staggered terms of service, subject to the right of retiring members to accept reappointment.

The Board of Patents and the University shall develop procedures to aid in the assessment of the probable importance of inventions brought to its attention and to assist in judging the desirability of filing a patent application. Such assessments may, if needed, include the use of ad hoc review committees selected to provide knowledgeable advice on the technical merits of disclosures, to consider the need for further development of the invention and to assess possible application of the invention for the public benefit. The services of the Board of Patents and the Office of the Associate Vice President for Research are available to render advice to inventors and to discuss procedures that should be followed in order to gain adequate protection between the time of conception of an invention and the processing of a formal application for patent.

To carry out its functions efficiently, the Board of Patents may, from time to time, recommend that the CSUF Foundation enter into agreements with a patent management organization, which provides for patent analyses and commercialization assistance. The CSUF Foundation, after the execution of an agreement, may forward an invention disclosure to the patent management organization with the understanding that if the firm accepts the assignment, it will endeavor to secure the patent and subsequently will exploit the patent and invention without any expense to the inventor. These organizations will pay to the inventor a share they receive from the invention in accordance with a schedule developed by the Board of Patents. In cases of plural inventors, this percentage is shared. The balance of income is then shared between the CSUF Foundation and the patent management organization.

IV. RIGHTS AND OBLIGATIONS OF INVENTORS

Rights to inventions arising in the course of government and other sponsored research are controlled by the terms of the research agreement. Under many agreements the sponsor may hold sole title and rights to both domestic and foreign patents. When sponsor agreements require it, university employees accepting research, as well as students and consultants associated with a sponsored project, are required by the University to execute such waivers or agreements as will permit the University to comply with these obligations to the sponsor. When independent action by an inventor is precluded in the case of sponsored research, the Board of Patents will consider requests from inventors for greater rights and will recommend to the Foundation

directors that they will honor requests whenever it is legally possible and equitable to do so.

Prompt reporting of inventions conceived is essential. Many research agreements require that inventions be reported within a fixed period following the conception date. In order to meet this requirement, principal investigators on all sponsored projects are required, as a minimum, to provide reports on patent possibilities to the Office of Research and Development on forms provided to them for that purpose. The Associate Vice President for University Research is the University official authorized to execute, on behalf of the CSUF Foundation, patent commitment statements and annual invention reports to sponsors. The need for prompt disclosure. In the case of foreign filings, prompt action following conception is even more important since any publication may create a bar to filing in some foreign countries.

When a member of the University in the course of his/her non-sponsored University activities makes a discovery that may lead to an invention, he/she should consult the Associate Vice President for University Research concerning the possibility of a patent application. The Board of Patents when advised of his/her intentions may raise the question of whether the University or a sponsor has an equity in the proceeds of the invention. The services of the Board of Patents are available to any member of the University community whether or not the invention has resulted from his/her university activities.

V. REVIEW PROCEDURES

The filing of a formal invention disclosure with the Board of Patents, initiates review procedures of patentability. The Board of Patents will determine if the invention is the result of sponsored research, which necessitates the obligations to the sponsor.

A formal invention disclosure is most important to an inventor in establishing priority. A formal invention disclosure is a complete description of an invention written by the inventor to report an invention to the Board of Patents. Other steps to be taken include the making of proper notebook entries, sketches, descriptions, the exercise of diligence in developing the concepts through successive stages, the eventual reduction to practice of the invention, and finally the preparation of drawings, specifications and claims preparatory to filing patent applications or the making of a request to an appropriate agency to do so. The invention disclosure should be signed and dated by two witnesses familiar with the art and the significance of the invention.

Advice will be given on the soundness of the invention and the advisability and possibility of patenting within the framework of University policy and the terms of any sponsored research agreement. Copies of each invention disclosure and the Board of Patents' advice thereon shall be submitted to the Associate Vice President for University Research.

If the Board of Patents review results in a negative conclusion, the Board will seek the concurrence in the findings from the inventor and will so advise the sponsor of the

decision reached. If the Board of Patents reaches a negative conclusion, without a concurrence, it shall release the inventor from patent policy obligations, subject to the interests and equities of the sponsor

If the Board of Patents reaches a positive conclusion, or is in doubt, it may, with the inventor's concurrence refer the matter to an appropriate patent management organization to obtain an opinion and to determine if that organization desires to accept assignment of rights to the invention. If it is not willing to accept such assignment, the Board of Patents will upon request and, if not bound otherwise by a sponsor's agreement or other obligation, release the matter to the inventor. If the patent management organization desires to accept the assignment, the Board will recommend to the inventor that he/she assign his/her rights in the invention to the interest organization and enter into an agreement with that organization. Said agreement shall reasonably conform to the guidelines established by the Board of Patents.

VI. INDUSTRIAL SUPPORT

In accepting funding from industry for the purpose of research, it is the general policy of the University that the funding be used for education purposes and/or the extension of the boundaries of knowledge. If the University accepts funding from an industrial corporation for the purpose of research in conformity with that general policy, it shall be with the written understanding that should an invention result from this research, the University and the inventor shall handle such an invention in accordance with the policies outlined above.

Agreements covering such projects shall state the following:

"It is understood by the Sponsor that any inventions patentable or otherwise conceived or first reduced to practice in the course of the sponsored activity by university employees shall be handled in accordance with University patent policy which requires that title to any of said inventions be in California State University, Fullerton or its designee, which designation must be handled specially and in accordance with the aforesaid University patent policies."

If an outside industrial sponsor proposes a procedure at variance with that outlined in previous paragraphs, the Associate Vice President for University Research is authorized to reach an agreement with the sponsor and university employees which will not violate the general principles set forth here and which will protect the equities and satisfy the requirements of all involved parties.

Those sponsored projects involving testing of materials, compounds, or apparatus should be specially handled. Among the additional special provisions which are recommended for those sponsored projects, in addition to the patent provision as set forth above, the covering agreement should state the following:

"California State University, Fullerton does not accept any materials, compounds, and/or apparatus hereunder or information with respect thereto under any

restrictions whatsoever. It is assumed by the University that to the degree that the Sponsor is going to file patent applications on said materials, compounds, and/or apparatus supplied hereunder, the Sponsor will have done so prior to the delivery of the same to the University.

The Sponsor hereby agrees that he/she shall not use information derived by the University or its employees in pursuance of the work of the sponsored project in the prosecution of a patent application in either the United States Patent Office or that of other jurisdictions without the written permission of the University."

In agreements between business firms and the University governing work not of a predominately research nature in which the sponsoring firm bears a major portion of the cost, the patent policy of the University shall apply.

VII. USE OF UNIVERSITY NAME

The name of California State University, Fullerton or any of its components may not be used in advertisements to the public relating to products or a service.

VIII. CONFLICTS

Conflicts involving patentable inventions and discoveries may arise when employees of the University enter into agreements to do private consulting for firms and organizations outside the University. The consulting agreements which business firms wish to have executed by those who are to serve as their consultants frequently contain provisions as to the licensing or assignment of the consultant's inventions and patents. Unless this provision is narrowly worded, it usually will include areas in which the consultant's University work lies and thus come into conflict with the obligations of the University employees under the University's patent policy, either with respect to the rights of the University itself in his/her invention or the rights of a sponsor of research in the same field of subject matter.

Because of the possibility of such conflicts and of future misunderstanding or embarrassment, it is urged that, with this point in mind, University employees carefully examine consulting agreements before they sign them. If problems arise or the issues are not clear, University employees are urged to consult with the Associate Vice President for University Research. The services of the Board of Patents are also available in case complex problems or those involving basic University policies or obligations are encountered.

The contribution of ideas and assistance to University employees from sources outside the University can lead to subsequent problems of equity if patentable concepts evolve.

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