

Patent and Invention Policy - 2008

Summary/Purpose: To designate the University of Mississippi policy for Intellectual Property rights as they pertain to patentable materials, including Inventions, but not copyrights.

I. Foreword

It is the intent of the University of Mississippi in administering Intellectual Property rights for the public benefit to encourage and assist members of the faculty, staff, and student employees of the University with their discoveries and Inventions in a manner that is equitable to all parties involved¹.

The University recognizes the need for and desirability of encouraging the broad utilization of the results of University research, not only by scholars but also in practical application for the general public benefit, and acknowledges the importance of protecting Intellectual Property through patenting and other means in bringing innovative research findings to practical application. The objectives of this policy are to encourage the practical application of University research for the broad public benefit; to facilitate and manage the patent application and prosecution process, the licensing process, and the equitable distribution of Licensing Income, if any; to provide for the use of Licensing Income for the further support of research and education in accordance with state and federal policies, laws and regulations; and to provide incentives and assistance to University Employees to develop and commercialize technology for the benefit of the University Employee, the University and the public.

II. Definitions

- A. Assignment of Rights** means the transfer of ownership of Intellectual Property in writing from a University Employee to the University.
- B. Division of Technology Management (“DTM”)** means the group within the Office of Research and Sponsored Programs responsible for managing the University’s Intellectual Property related to the University’s research activities ([DTM Website](#)).
- C. Educational and Research Activities** means teaching, research or investigation or the supervision of research or investigation relating to the general field of inquiry of the University Employee.
- D. Equity** means an owner’s interest in the assets of a company.
- E. Intellectual Property** means any patentable materials, copyrighted materials, trademarks, software and Trade Secrets, whether or not formal protection is sought. (Reference: [Board of Trustees of State Institutions of Higher Learning State of Mississippi, Policies and By-laws at §807.02](#)).

¹ This policy supersedes the University of Mississippi Patent and Invention Policy - 1992 ([UM Policy RSP.TM.400.002, Effective Date 10/12/1992](#)). Inventions disclosed to the University before the effective date of this revised policy (June 1, 2008) will be governed by the 10/12/1992 policy.

- F. International Patent** means a grant issued by a government agency outside the United States that grants the owner(s) the right to exclude others from the right to manufacture, make, use or sell an Invention in that country.
- G. Invention** means any Intellectual Property that reasonably appears to qualify for protection under United States patent law or other protective statutes in or outside the United States, whether or not patentable, or which appears to be commercially viable.
- H. Inventor** means a University Employee who creates or discovers an Invention and would be considered an Inventor under United States patent law.
- I. Licensing Income** means money received by the University as a result of the grant of an option to license or a license to another entity in consideration for the option or license granted to the entity. Licensing Income may include but not be limited to upfront payments, milestone payments, annual licensing fees, royalties and other forms of revenue received from another entity. Licensing Income does not include Equity or proceeds derived from liquidating Equity.
- J. Net Licensing Income** means Licensing Income received by the University less the University's out-of-pocket patent, other legal and licensing expenses.
- K. Non-Inventor** means a University Employee who makes significant contributions to the development of a technology but is not an Inventor according to United States patent law.
- L. Research Disclosure** means a document submitted by one or more University Employees to the DTM that describes potentially patentable materials. (Reference: [UM Research Disclosure Form](#)).
- M. Substantial Use of University Resources** involves the use of University resources by a University Employee beyond the following:
1. customary use of office space, laboratories, or studios, or of libraries; of library collections, subscriptions or services; of secretarial or other staff assistance; of computer time or computer or lab equipment on hand; of network or Internet access; of standard office equipment and supplies.
 2. sabbaticals; summer or other research grants provided by the University or University-affiliated units; other support customarily provided to faculty and staff. (Reference: [UM Policy RSP.TM.400.001](#)).
- N. Trade Secret(s)** means information including, but not limited to technical or nontechnical data, a formula, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper and legal means by, other persons, who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. (Reference: [Board of Trustees of State Institutions of Higher Learning State of Mississippi, Policies and By-laws at §807.02](#)).
- O. University Employee** means all faculty, staff and student employees, with full or part-time status, and any other employee or agent of the University during the course of employment. A student employee is defined as a person who is enrolled as a student in the University and who is employed part time by the University. A person employed during the summer months who intends to enter college in the fall is considered a student employee. (Reference: [UM Policy HRO.EM.300.070](#)). Student employees include

without limitation students who receive stipends, including graduate instructors, graduate assistants and teaching assistants.

- P. United States Patent** means a specific grant issued by the United States Patent and Trademark Office that grants the owner(s) the right to exclude others from the right to manufacture, make, use or sell an Invention in the United States.

III. Scope

This policy covers all Intellectual Property, except copyright, which is covered in the University of Mississippi's Copyright Policy (Reference: [UM Policy RSP.TM.400.001](#)). Software that qualifies as an Invention under this policy is covered in this policy if a patent application is filed to protect the software. Copyright protection of software is covered in the Copyright Policy ([UM Policy RSP.TM.400.001](#)). Ownership rights to Inventions emerging from activity pursuant to an agreement with an outside sponsor shall be determined in accordance with that agreement, or, in the absence of a controlling agreement, with rules and regulations, if any, governing that sponsorship.

IV. University Employee Responsibilities

- A. Research Disclosure.** All University Employees who create an Invention that may have commercial value are obligated to disclose such Inventions to the DTM if the activity was part of their Educational and Research Activities or if the activity was outside their Educational and Research Activities and involved Substantial Use of University Resources. University Employees should use a [Research Disclosure Form](#) to report an Invention. The Research Disclosure Form may be updated by the University at any time. A Research Disclosure should be submitted to the DTM well in advance of making a public disclosure of the potential Invention to protect patentability of the potential Invention (Reference: [DTM Procedure on Filing and Processing Research Disclosures](#)).
- B. Assignment of Rights.** The University shall have ownership of any Invention made or developed in the course of the Educational and Research Activities of all University Employees and whenever any Invention is made or developed outside the University Employee's Educational and Research Activities but involved Substantial Use of University Resources. Each University Employee is required to assign to the University all domestic and foreign rights to any such Invention including United States and International patent applications and issued patents (collectively "Patents") unless the University releases the rights to the University Employee (Reference: [DTM Procedure on Release of Rights](#)).
- C. Confidentiality.** While the University adheres to a principle of free and open publication, there are instances in which confidentiality is necessary and appropriate. All University Employees who wish to engage in discussions with personnel outside the University that may lead to patentable Inventions or Trade Secrets, or involve confidential discussions of Intellectual Property of either party, are obligated to have such discussions under the terms of a Confidential Disclosure Agreement ("CDA",

also known as a Non-Disclosure Agreement or an "NDA"). The University Employee must request execution of a CDA using a **Request to Draft Confidential Disclosure Agreement Form**. The signatory authority for CDAs involving research activities is the Vice Chancellor for Research and Sponsored Programs. The University Employee is required to acknowledge the CDA and to notify other University Employees involved in such discussions that they must abide by the terms of the CDA.

- D. Cooperation.** All University Employees who submit a Research Disclosure are obligated to make reasonable efforts to assist the DTM in carrying out the work required to patent, market, license, or otherwise commercialize the Invention.

V. University Responsibilities

- A. Research Disclosure.** The DTM will assist University Employees in completing a Research Disclosure Form. University Employees are encouraged to discuss their ideas with the DTM at an early stage of the research. (Reference: **DTM Procedure on Filing and Processing Research Disclosures**).
- B. Timely Determination of Interest.** The DTM is obligated to review the Research Disclosure in a timely manner and to communicate next steps to the University Employee(s). (References: **DTM Procedure on Filing and Processing Research Disclosures**; **DTM Flowchart on Filing and Processing Research Disclosures**).
- C. Reasonable Efforts to Commercialize.** The DTM is obligated to use reasonable efforts to identify a commercial partner for any technology for which the University has ownership rights and to negotiate licensing terms that are fair and equitable to all parties involved. Such terms may include but not be limited to upfront payments, milestone payments, royalty on sales and Equity. Equity may be held by the University of Mississippi Research Foundation.
- D. Release of Rights.** The University is obligated to offer to release the rights, in writing, to the University Employee(s) if the University decides not to pursue or maintain Patent protection or wishes to discontinue efforts to commercialize the technology (Reference: **DTM Procedure on Release of Rights**).
- E. Determination of Inventors and Non-Inventors** – Inventorship on a patent is determined according to United States patent law. The DTM will work with patent counsel to determine if a University Employee is an Inventor of an issued patent or likely to be an Inventor of a pending patent application. (Reference: **DTM Procedure on Determination of Inventors and Distribution of Licensing Income**).
- F. Licensing Income Sharing** – Subject to restrictions arising from overriding obligations of the University pursuant to gifts, grants, contracts, or other agreements with outside entities, the University will, following assignment of Inventions and patent rights by the Inventor(s) to the University, distribute Net Licensing Income as follows:

The University of Mississippi

30% to Inventor(s)
10% to support Inventor(s) research program
15% to the Inventor(s) Department or Center
5% to the Inventor(s) Dean's Office
40% to the Office of Research and Sponsored Programs

This distribution formula may be changed for a specific Invention with the approval in writing of the Vice Chancellor for Research and Sponsored Programs (Reference: [DTM Procedure on Determination of Inventors and Distribution of Licensing Income](#)).

Multiple Inventors will share Net Licensing Income equally unless a different distribution arrangement is agreed upon in writing by all the Inventors and Net Licensing Income may be shared with a Non-Inventor(s) in rare occasions. (Reference: [DTM Procedure on Determination of Inventors and Distribution of Licensing Income](#)).

Distribution of proceeds derived from liquidating Equity will be determined according to the specific circumstances of the Equity arrangement (Reference: [DTM Procedure on Distribution of Equity](#)).

VI. Agreement to the Policy

This policy is binding on the University and on University Employees as a condition of their employment by the University.

VII. Disputes

The Vice Chancellor of Research and Sponsored Programs will have authority to settle any disputes and may do so in accordance with the [DTM Procedure on Dispute Resolution](#).