Purpose

The University maintains an active patent program to encourage the broad utilization of the results of University research for the public benefit. The major objectives of the University patent program are to promote the progress of science and technology, to assure that inventions are made available to the public, and to provide appropriate royalty revenues to the University and to inventors.

Definitions

Disclosure

The release, transfer, provision of access to, or divulging in any manner of information outside the entity holding the information.

Sponsor

An entity that provides funds to the University to support the conduct of a specific research project, instruction project, or other sponsored activity.

Policy

A. Patent Agreement

A Patent Agreement must be signed by all employees, and by non-employees (such as without-salary appointees) who use University research facilities or are involved in University-funded or sponsor-funded work at or through the University. Exemptions from signing the Patent Agreement may be authorized when the mission of the University is better served by such action, provided that the University can still meet its obligations to other parties, and such an exemption is not inconsistent with other University policies. (See IIIF, G below.)

B. Invention Reporting

All persons subject to the University Patent Agreement must promptly report all inventions utilizing the Disclosure and Record of Invention Form. Inventors may not disclose the invention or disseminate copies of the disclosure to sponsors or any other persons or offices. This policy serves to protect individual and University rights, and to ensure that obligations to research sponsors are met.

C. Assignment and Release

1. The University will not require assignment in situations where there is little or no University equity in the invention. When the University has equity in an invention, and decides to seek a patent, individuals bound by the Patent Agreement must execute declarations, assignments, and other documents as necessary to file
and prosecute patent applications and to assign title to inventions to the University.

2. The University may assign invention and patent rights back to the inventor, or waive the requirement that an assignment be made, in those circumstances when the University decides not to file a patent application, to abandon an application, or not to maintain a patent, and the inventor is prepared to assume these responsibilities. In these circumstances, the inventor may not conduct further research with or further develop that invention with University funds or facilities, and the University will retain a shop-right to the invention.

3. In the event the University has obligations to a sponsor that would not permit it to reassign patent rights or grant a waiver to an inventor, as is the case with inventions arising with government support, the University may grant permission to an inventor to petition the sponsor for patent rights.

D. Payment of royalties

1. Subject to obligations of the University from grants contracts or other agreements, the University pays inventors a share of net license income according to the patent policy in effect at the time of the inventor's invention disclosure. Under the current (1997) policy, the University agrees, following assignment of inventions and patent rights, to pay annually to the named inventor(s), or to the inventor(s)’ heirs, successors, or assigns, 35% of the net royalties and fees per invention received by the University. Inventor shares paid to University employees pursuant to this paragraph represent an employee benefit.

2. When there are two or more inventors, each receives an equal portion of the inventor's share of royalties, unless all inventors have agreed in writing to a different distribution. Payment of inventor shares may also be made to the individual's heirs, successors, or assignees. In the event of any actual or imminent litigation, or any other action necessary to protect patent rights, the University may withhold distribution of the inventor's share until resolution of the matter.

E. Use and Disposition of Income Retained by the University

A portion of patent income is allocated to the State. Based upon the gross income earned each fiscal year, the State receives 25% after invention-specific expenses and inventor shares are deducted. In the disposition of patent income retained by the University after payment to inventors and the State, first consideration is given to the support of research.

F. Exemptions to Signing Patent Agreement

Certain personnel titles may not require the person to sign the University's patent agreement. In most cases these persons will not use University research facilities other than libraries and will not use extramural funds obtained by or through the University. Examples of exempt personnel titles are:

1. military instructors not compensated by the University;
2. University Extension instructors;
3. visiting scholars on special short-term assignment;
4. lecturers making one-time or series appearances;
5. non-University-compensated clinical appointees who do not use University research facilities.

G. Statement of Exemption

Granting an exemption to signing the patent agreement within the limitations set forth above is the responsibility of Department Chairs. In all cases where an exemption is made, a statement identifying the
H. University Patent Policy in Research Agreements

1. General

It is University policy to retain title to all inventions arising under any research conducted at the University. Contract and grant agreements with sponsors supporting such University research projects often contain patent provisions. Those provisions establish the rights of the various parties interested in potentially patentable inventions.


a. The level of sponsor funding determines the extent of patent rights available to the sponsor. In order to obtain a first right of negotiation to an exclusive license, an industrial sponsor must fund all the costs of the research, including overhead costs and a pro-rata share of the Principal Investigator’s salary.

b. Standard University patent clauses for use in research agreements that have been approved by the Office of Technology Transfer (OTT) are provided to Contract and Grant Officers. If a standard patent clause proves unacceptable to a particular sponsor, Contract and Grant Officers may, within certain limitations, negotiate a patent clause that conforms to University guidelines. (These are contained in the Contract and Grant Manual, Chapter 11.)

c. If the patent clause proposed by a sponsor is not a standard clause or if it does not conform to the guidelines, the specific case is referred to the campus Office of Technology Management (OTM) for resolution. Upon agreement among the OTM and the sponsor, a patent clause appropriate for that particular case may be used. In cases where these parties cannot reach agreement on an acceptable patent clause, the Chancellor may request review by the Senior Vice President - Administration and the General Counsel. Such requests take the form of a letter signed by the Chancellor.

Responsibilities

Pursuant to Standing Order 100.4 (gg), the President has responsibility for all matters relating to patents.

A. Technology Transfer Advisory Committee (TTAC)

The membership of the Technology Transfer Advisory Council (TTAC) includes a representative from each campus, each National Laboratory, three representatives appointed by the Academic Council and representatives from the Office of the Provost and Senior Vice President - Academic Affairs and the General Counsel. The committee is charged with ongoing oversight of the University's technology transfer program, advises the President on Technology transfer policy and guides the direction of the systemwide program:

B. General Counsel of The Regents

The responsibilities of the General Counsel are to retain outside counsel for patent prosecution; approve legal form options, licenses, and other agreements; and concur on changes to and exemptions from the Patent Agreement.

C. Office of Technology Transfer (OTT)

The Office of Technology Transfer (OTT) within the Office of the President provides policy development and guidance, legal support, systemwide information management, legislative review and other services in support of the systemwide program. In managing a portfolio of inventions reported by the campuses, the
responsibilities of the OTT are as follows:

1. implement the patent policy for inventions reported, improvements on an invention managed by OTT, joint inventions among UC employees, and all plant patents;
2. recommend to the President appropriate action on exceptions to the patent policy;
3. evaluate inventions for patentability and marketability;
4. authorize filing and monitor prosecution of patent applications by outside counsel;
5. market inventions and negotiate licenses and options with other parties concerning patent rights;
6. administer license and option agreements, including rebilling for legal fees, monitoring of diligence of licenses, and reviewing reports as required by terms and conditions of agreements;
7. prepare periodic reports for The Regents.

D. UCSF Office of Technology Management (OTM)

The Office of Technology Management (TOM) is responsible for implementation of this policy at the campus and has specific assignment of authority for UCSF inventions. The responsibilities of the OTM are as follows:

1. advise employees of their patent obligations and assisting UCSF personnel in reporting inventions
2. evaluate the rights and equities of the University in an invention;
3. negotiate agreements with cooperating organizations with respect to patent rights;
4. provide training and information programs to University faculty and staff regarding patentability of inventions, University policies, procedures and practices;
5. assist Contract and Grant Officers in negotiating agreements with sponsors and others concerning rights to patentable inventions arising under grants, contracts and other agreements;
6. formulate, implement and monitor procedures related to protection and management of biological and other tangible research materials
7. evaluate inventions for patentability and marketability;
8. authorize filing and monitor prosecution of patent applications by outside counsel;
9. develop licensing strategy, market inventions and negotiate licenses and options with other parties concerning patent rights, copyrights or property rights;
10. administer license and option agreements, including rebilling for legal fees, monitoring of diligence of licensees, and reviewing reports as required by terms and conditions of agreements;
11. prepare periodic reports for The Regents.

E. Employees and Others Bound by the Patent Agreement

1. Principal Investigators are responsible for ensuring that a University Patent Agreement is executed by each individual participating in a research project, including students, and visiting scientists and scholars.
2. All researchers are required to maintain a permanent record of research as complete as possible to prove
dates, facts, and events such as conception of the idea, testing of the model and test results.

3. Individuals bound by the Patent Agreement are required to report promptly to the OTM all inventions
using a Technology Disclosure Form, and to assist office staff and outside patent counsel as necessary in the
evaluation of inventions and the review and prosecution of patent applications.

Related Policies
- 400-16 - Award Acceptance and Execution of Contracts and Grants [4]
- 550-11 - Environmental Health and Safety Management (retired) [5]

References
- UCSF Campus Code of Conduct [6]
- Standing Order of the Regents No.100.4 (gg), January, 1983

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