



## Office of the Vice President for Research University Intellectual Property Policy

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**Responsible Office:** Vice President for Research, UL Lafayette

**Reference:** University of Louisiana System Policies

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### I. PURPOSE/PREAMBLE

As a modern research university, the University of Louisiana at Lafayette (UL Lafayette or University) recognizes the need for and desirability of encouraging its faculty, staff and students to engage in the discovery of new knowledge and the translation of results of academic research and innovative findings to practical application. The primary purpose of this Intellectual Property Policy is to provide the necessary protections, incentives and clarifications to encourage both the discovery and development of new knowledge and its transfer for the public benefit; the secondary purpose is to enhance the generation of revenue for the University and the creators including faculty, staff and students; finally, the tertiary purpose is to provide clarification of internal distribution of royalty revenues generated upon successful commercialization of intellectual property

UL Lafayette recognizes that research and scholarship should be encouraged without regard to potential gain from licensing fees, royalties, or other income; however, the University also recognizes that intellectual properties and discoveries may arise from the activities of faculty, staff, and students in the course of their duties or through the use, by any person, of University resources such as facilities, equipment, or funds. The policies and practices governing the administration of such intellectual properties should ensure that the University will share in the rights pertaining to intellectual properties in which it has equity, while, providing recognition and incentives to creators.

UL Lafayette is committed to assisting its faculty and other researchers in properly disclosing their scholarly work, in complying with applicable laws and formal agreements, in gaining the protection available under the United States laws governing patents, copyrights, trademarks, and other appropriate provisions, and finally, in assisting inventors to exploit their inventions through commercialization services.

### II. OBJECTIVES

The University of Louisiana at Lafayette's Intellectual Property Policy provides the following objectives for the University as it develops and implements its intellectual property policies in compliance with applicable federal, state and UL System guidelines:

- To encourage its faculty, staff and students to pursue research and scholarship as creative academic endeavors while recognizing that commercially valuable intellectual properties may result from such endeavors;

- To delineate procedures to encourage creators to report discoveries with broad commercial potential and public benefit and to assist them, while at the same time safeguarding the interests of all concerned parties;
- To make intellectual property developed in the course of academic research available to the public under conditions that will promote its effective and timely use and development;
- To provide adequate recognition and incentives to inventors through sharing proceeds from their inventions;
- To advance and encourage research, scholarly activities and creation of new knowledge within the University with resources resulting from the successes of the intellectual property program of the University;
- To recognize the equity of outside entities by allowing the reasonable grant of intellectual property rights to such entities consistent with the University's maintenance of tax exempt financing;
- To optimize the environment and incentives for research and scholarly activity and for the creation of new knowledge in the University;
- To ensure that the educational mission of the University of Louisiana at Lafayette is reinforced.

### III. DEFINITIONS/BACKGROUND

The following definitions shall govern throughout the UL Lafayette Intellectual Property Policy.

- A. UL Lafayette or University shall mean the University of Louisiana at Lafayette, including all of its campuses, centers, institutions, facilities, and other property.
- B. Intellectual Property shall mean the result of intellectual or artistic activity created by an individual in a scholarly, professional or student capacity; including but not limited to inventions, discoveries, know-how, show-how, processes, unique materials, original works, computer software, scientific or technological developments and other creative or artistic works that have value; regardless of whether subject to protection under patents, copyrights, trademarks, service marks, trade secrets, mask works, and plant variety protection certificates. It also includes the physical embodiments of intellectual effort, for example, models, machines, devices, designs, apparatus, instrumentation, circuits, computer programs and visualizations, biological materials, chemicals, other compositions of matter, plants, and records of research.
- C. Invention shall mean an invention or discovery that is either conceived or first reduced to practice, in whole or in part, during activities that are: (a) carried on by, or under the direction of University personnel, regardless of when or where conception or reduction to practice occurs; (b) supported by funds under the control of UL Lafayette; or (c) conceived, created, designed, developed, or conducted with the use of the University facilities, equipment, or supplies. The term Invention shall also include any patent application or issued patent containing at least one claim reading on such an invention or discovery. As a limited exception, the following shall not be considered an Invention of UL Lafayette: an invention or discovery that is wholly conceived and wholly first actually reduced to practice during activities that satisfy each of the following four conditions: (a) the activities occur during the personal, off-duty time of all involved University personnel; (b) the activities are not supported by funds under the control of the University; (c) the activities are not performed with the use of the University facilities,

equipment, or supplies; and (d) the activities are unrelated to any current or past field or area of expertise, responsibility, or employment of any involved University personnel.

- D. Creator/Author shall mean the individual or group of individuals who make, conceive, reduce to practice, author, or otherwise make a substantive intellectual contribution to the creation of Intellectual Property. This includes, but is not limited to, faculty, professional staff, administrative and support staff, and students. It shall also include the definition of “inventor” as used in U.S. patent law and the definition of “author” as used in the U.S. Copyright law.
- E. Commercialization shall mean the assignment, licensing, manufacturing or production of Intellectual Property as well as the protection of Intellectual Property including but not limited to, obtaining protection and copyright registration, with the goal of financial return.
- F. Course Materials shall include any copyrights in underlying educational materials or course content used in the bona fide teaching or instruction of a regularly scheduled course for credit offered by the University, to the extent that an author of those materials, himself or herself, uses those materials in teaching the course; including portions, subsets, drafts, revisions, updates, versions, and instructional components of such materials; whether printed, digital, Internet based, CD/DVD-based, audio- or video-based, or otherwise. Course Materials may include copyrights in items that would otherwise constitute UL Lafayette Works, UL Lafayette Software, or UL Lafayette Digital Media. Course Materials shall not, however, include rights in any patent, patent application, UL Lafayette Database, UL Lafayette Mark, or UL Lafayette Invention. Course Materials shall not include any rights that are derived from a co-author who is not also directly involved in the teaching or instruction of a regularly scheduled course for credit at the University using those materials.
- G. Scope of Employment shall mean activities related to the faculty member’s appointment, including teaching and research; or related to the activities which are assigned to non-faculty personnel by his or her supervisor for which compensation is received.
- H. University Resources Usually and Customarily Provided shall include such support as office space, library facilities, ordinary access to computers and networks, and salary and shall be, for the purposes of this policy, described as incidental. This does not include use of students or employees as support staff to develop the work, or substantial use of specialized or unique facilities and equipment, or other special subventions provided by the University unless approved as an exception.
- I. Significant University Resources shall include resources in addition to those University Resources Usually and Customarily Provided which include, but are not limited to, the use of students or employees as support staff to develop the work, substantial use of specialized or unique facilities and equipment or other special subventions provided by the UL Lafayette unless approved as an exception.
- J. Work shall mean any original work of authorship that is fixed in any tangible medium of expression, and that is created or produced during an activity that is supported by UL Lafayette, in whole or in part. The term Work shall also include any copyright or other legal rights derived from such a work. The support by the University may, for example, take the form of financial support, use of facilities, use of supplies, payment of salary, the consideration provided in a particular contract, or otherwise. Work shall include intellectual properties that are of a scientific, engineering, or technical nature such as patentable or unpatentable inventions (including biological materials), Computer Software, and UL Lafayette collections. These shall also include Intellectual Properties that are of a scientific, engineering, or technical nature.

Examples include patentable or unpatentable inventions, devices, machines, processes, methods, and compositions (including biological materials), computer software, and University collections. Also included are works that are of an artistic, scholarly, instructional, or entertainment nature, including but not limited to, film, moving image arts, and cinematic works.

- K. Traditional Academic Works shall include a subset of Works created independently and at the Creator's initiative for traditional academic purposes. Examples include syllabi, class notes (in whatever form, e.g., handouts, Internet posting, screencasts, webcasts, screen capturing), lecture recordings, books, theses and dissertations; articles; non-fiction, fiction, and poems; musical works; dramatic works including any accompanying music; moving image arts and cinematic works, pantomimes and choreographic works; pictorial, graphic, and sculptural works; or other works of artistic imagination that are not created as a consequence of being commissioned (work for hire) by the University.
- L. Computer Software shall mean any software or computer programs, associated operational procedures, manuals, or other documentation, whether protectable or protected by patent or copyright, created or developed, in whole or in part, during activities that are: (a) carried on by, or under the direction of, UL Lafayette personnel, regardless of when or where the creation or development occurs; (b) supported by funds under the control of the University; or (c) conceived, created, designed, developed, or conducted with the use of the University facilities, equipment, or supplies. The term Software shall also include any source code pertaining to such software; any copyright derived from such software; any patent application or issued patent containing at least one claim reading on such software, or having at least one claim reading on a process or apparatus incorporating such software; and any other legal rights derived from such software.
- M. Digital Media is a collective term that encompasses all Computer Software, as well as some Works. All Software is considered Digital Media. A Work is considered Digital Media if it is fixed in a tangible digital medium (including, by way of example, a magnetic tape, a floppy disk, a hard disk, a compact disk, a digital video disk/digital versatile disk/DVD, or other digital storage device, or an Internet website) that is intended to be used by third parties in digital form or that is intended to be distributed in digital form to third parties for consideration. A Work that is transmitted to a publisher in digital form at the request of the publisher or for the convenience of the author or publisher, but that will not be distributed by the publisher to third parties in digital form (e.g., a conventional printed book whose text is prepared on a word processor) is not considered Digital Media; however, any digital media that otherwise satisfies the above definition, and that is intended to be distributed to third parties with a printed book (for example, a compact disk read-only-memory packaged with a book) is considered Digital Media. A Work that is published electronically as part of a peer-reviewed scholarly journal on the Internet shall not be considered Digital Media. Some Digital Media will be treated as Works, and some Digital Media will be treated as Software.
- N. Database shall mean a digital database that has commercial value, or that reasonably may be considered to have potential commercial value, regardless of whether the database is the subject of copyright, where the database is created or developed, in whole or in part, during activities that are: (a) carried on by, or under the direction of, UL Lafayette personnel, regardless of when or where the creation or development occurs; (b) supported by funds under the control of the University; or (c) conceived, created, designed, developed, or conducted with the use of the University facilities, equipment, or supplies. The term UL Lafayette Database shall also

include any source code pertaining to such database; any copyright derived from such database; any patent application or issued patent containing at least one claim reading on such database, or having at least one claim reading on a process or apparatus incorporating such database; and any other legal rights derived from such database, including by way of example any statutory legal protection for a database, whether the statute is enacted before or after the provisions of this Policy concerning UL Lafayette Databases take effect.

- O. University of Louisiana at Lafayette Mark shall mean any trade name, trademark, service mark, design, or trade dress: (a) that is associated with University of Louisiana at Lafayette; (b) that is created or produced during an activity that is supported by the University, in whole or in part; or (c) that is created or produced by the University personnel, and that is associated with any other UL Lafayette Intellectual Property. The term UL Lafayette Mark shall also include any goodwill associated with any such mark, and any registrations or other legal rights derived from such a mark.
- P. University Personnel shall, for the purposes of this Policy, mean all UL Lafayette Supervisors, Officers, Faculty, Staff, Research Associates, Postdoctoral Fellows, Instructors, Students, and other employees of the University, whether part-time or full-time. When acting within the course and scope of their employment by the University, UL Lafayette Personnel shall include:
- (a) faculty, staff or other University personnel who receive salaries on nine-month or twelve-month appointments, who shall be considered UL Lafayette Personnel throughout the calendar year for purposes of this Policy;
  - (b) adjunct faculty, visiting faculty, visiting researchers, emeritus faculty, adjunct or visiting staff, regardless of whether they receive salary support or not; and
  - (c) graduate, undergraduate and professional students receiving more than incidental funding support including tuition fees, graduate research/teaching assistantships, undergraduate student grants and scholarships, regardless of the source of funding;

The term University Personnel shall not include UL Lafayette graduate, undergraduate and professional students when those individuals are not funded by the university, i.e., acting as employees of the University.

- Q. Distributable Royalties shall mean any money, corporate stock or other equity in a business organization, or other property actually received by and in the control of the University under an authorized contract granting any rights in any UL Lafayette Invention, Work, Software, Database, Digital Media, or other University Intellectual Property. However, consideration received by the University in reimbursement of or allocated for past, present, or future attorney's fees or other legal expenses associated with UL Lafayette Intellectual Property shall not be included as part of Distributable Royalties. No expenses other than reimbursed attorney's fees and legal expenses shall be deducted in calculating Distributable Royalties. Distributable Royalties shall not include any consideration deemed a Research Grant or deemed Litigation Proceeds; nor shall Distributable Royalties include any amounts received by the University that are attributable to a UL Lafayette Mark. Furthermore, no activity conducted by the University for educational, research, or non-commercial purposes shall be deemed to give rise to Distributable Royalties.
- R. Research Grant shall mean (for purposes of this Policy) any consideration received by the University under an authorized sponsored research contract that, along with any other provisions, grants another party any rights in any UL Lafayette Intellectual Property, where the

University's disposition of that consideration is restricted by that contract to use for conducting research. A Research Grant shall not be considered Distributable Royalties.

- S. Litigation Proceeds shall mean any money or other property received by the University as a result of any resolution of a dispute over another's use, infringement, or licensing of any UL Lafayette Intellectual Property, whether received by way of judgment, arbitration, or settlement -- and in the case of a settlement, regardless of whether any arbitration or lawsuit has been instituted. Litigation Proceeds shall not be considered Distributable Royalties.
- T. Net Royalties shall mean gross royalties or other payments, such as option payments, received by the University less any costs, royalties, or payments shared with any other entity or entities (e.g., as required by an agreement with a funding source or as the result of an inter-institutional agreement with a co-owner of the University invention), and any fees or costs directly attributable to the University invention being licensed. Examples of such direct fees are patent filing fees, fees for patent searches and/or legal advice, fees arising out of litigation, or marketing costs.

#### **IV. GENERAL PROVISIONS**

- A. Applicability: This policy shall apply to all UL Lafayette University Personnel, and to anyone using University facilities and/or resources under the supervision of University Personnel.
- B. Scope of Application: This policy shall be a part of the conditions of University employment. University Personnel must notify the University of any copyright or patent interests for any Intellectual Property which are currently registered or patented or which are in the process of being registered or patented with the U.S. Copyright Office or U.S. Patent and Trademark Office. For materials which may be in development, notice shall be given at the time the application for registration is submitted. The University shall review such interests and determine whether they are owned solely by the employee, co-owned or restricted in use by others.
- C. Acquisition: The University may acquire ownership or use of Intellectual Property by assignment, license, gift, bequest or other legal means.
- D. University Interests: University Personnel, including students, may not sign agreements or take action on behalf of the University unless they have been designated, in writing, as authorized agents of the University. Further, they shall not make unauthorized use of the University's name.

#### **V. RIGHTS TO OWNERSHIP/DISCLOSURES**

The intellectual property rights of UL Lafayette arise from research, academic and other endeavors. These rights vary depending upon the proportionate contribution of the University in the discovery and development of the intellectual property. Those contributions can be expressed in terms of personnel, funds, facilities, equipment and supplies. The University's contributions can vary from those wholly financed by the University or by a University-administered fund to projects which receive no significant University support. In the event that royalties are generated by the intellectual rights assigned to the University, the appropriate share of such royalties shall be paid to the creator(s) in accordance with section VIII of this policy. The following principles shall govern decisions of the "Intellectual Property."

For purposes of this policy, creations are divided into two groups: i.) Traditional results of academic scholarship, i.e. textbooks, literary works, artistic creations and artifacts; and ii.) Novel results of research such

as products, processes, machines, software, algorithms, protocols, experimental samples, biological technology, etc.

- A. Traditional Academic Works: As defined in Section III.L, intellectual properties in the first (traditional) group are considered to make their full contribution to the University's benefit by their creation and by continued use by the University in teaching (including distance learning, laboratory and classroom teaching), further development, and enhancement of the University's academic stature; the presumption of ownership is to the author(s). Thus, unless there is explicit evidence that the work was specifically commissioned by the University, pursuant to a contractual agreement and duly compensated, the IP rights remain with the author(s) and the University rights are limited to free (no cost) use in teaching, research, extension, etc. in perpetuity. Creators/authors of such scholarship shall recognize their affiliation and designation with the University, in an effort to enhance the University's academic stature. Generally the University owns the copyright in any student-produced film or other audiovisual work, the student author retains ownership (subject to a nonexclusive license to the University) of rights to the treatment, script or other written work product related to any such audiovisual work.
- B. Novel Research Results: In the second group, the strong presumption of ownership is to the University (with the originator having a right to share in the benefits derived therefrom). Thus, unless there is convincing and explicit evidence that the IP was developed by University Personnel both outside their Scope of Employment and without more than incidental use of University Resources Usually and Customarily Provided, ownership of the IP rests with the University and the originator(s) are obliged to sign the appropriate legal intellectual property assignment documents.

In general, the University shall assert ownership of intellectual property created by University Personnel unless (1) it is considered Traditional Academic Work, or (2) it was created outside the Scope of Employment of the employee and did not make more than incidental use of University Resources Usually and Customarily Provided. Within the above general guidelines, the following situations are more specifically defined:

- C. Sponsor Rights: In the case in which an IP is generated as a result of research funded by a private sector company under a sponsored research project, the IP rights of the sponsor as defined in the applicable clauses ("Patents & Copyrights," "Intellectual Properties," "Inventions," etc.) of the Sponsored Research Agreement (as approved by the Associate Provost for Research and signed by an authorized officer of the university) shall take precedence over the rights of the University/inventor(s). Any residual rights not accruing to the sponsor shall be as defined in the general guidelines above.
- D. Federal Agency Rights: Research projects sponsored by an agency of the federal government have statutory IP rights that are limited (in almost all cases) to a non-exclusive non-transferrable royalty-free license to any patent generated by the research, provided the inventor(s)/University advise the agency in a timely manner of their intent to retain their rights and provide for legal protection (e.g., patenting). It is the responsibility of the researcher to advise the agency of the creation of the IP and (with the assistance of the University Office of Innovation Management) advise of the protection steps being undertaken. The residual rights not belonging to the sponsoring agency shall be as defined in the general guidelines above.
- E. Student Ownership: Ownership of IP developed by students who are also University Personnel (see definition Section III.P) will be determined by the rules which apply to all University Personnel. IP generated by students not considered University Personnel and which makes no more than incidental use of University resources in its generation, will be owned by the student but subject to any applicable prior rights of private sector or government sponsors and to the right of the University to use the IP internally at no cost. IP generated by students under the supervision, direction and/or in

collaboration with University Personnel shall be deemed IP of Joint Inventorship in accordance with U.S. Patent & Copyright Law and subject to the rules governing Joint Inventorship as defined below in Section V.F. UL Lafayette encourages student innovation and entrepreneurship and, as such, typically grants exceptions regarding ownership of student inventions when certain criteria are met and in accordance with U.S. Patent & Copyright Law. Exceptions are granted at the discretion of the Vice President for Research as outlined in Section V.G.

- F. Joint Inventorship: For IP generated by a team of inventors in which one or more are not members of the University Personnel, each inventor is entitled (by law) to shared ownership of the entire right. The University's claim to the shares of University-associated inventors is as outlined herein in Section V. Ownership of outside inventors will vest in them or their assignees.
- G. Special Situations: In the event that an IP ownership situation arises which is not addressed in either the general or specific guidelines outlined above, the Office of Innovation Management shall make a recommendation to the Vice President for Research for a final decision, based on the spirit of the guidelines. A record of the rationale used to arrive at his/her recommendation shall be kept and used as a precedent for the handling of future special situations if applicable.

## VI. RIGHTS AND LIMITATIONS ON USE

- A. Fair Use: In accordance with §107 of the U.S. Copyright Law, the fair use of a copyright work for the purposes of teaching, scholarship or research is not an infringement of copyright. As such, the University and its faculty shall have limited rights to use copyrighted works. Fair use shall be determined by factors including the purpose of the usage, whether commercial or educational; the nature of the copyrighted work; the amount and substantiality of the portion used relative to the work as a whole; and the effect of the usage on the potential market value of the work.
- B. Additional Rights: If the University wishes to secure rights in addition to those asserted in this policy, it shall so specify in writing at the time it provides resources beyond University Resources Usually and Customarily Provided.
- C. Continuity of University Rights:
  - a. With respect to Intellectual Property arising in connection with all courses created within the University, regardless of delivery format, the University shall retain a permanent non-exclusive, royalty-free license to make all traditional, customary or reasonable educational uses of the content of such courses for non-commercial purposes.
  - b. This license shall be presumed to come into existence automatically by virtue of the approval of a course to be taught by the University.
  - c. This license shall include the right of the University to offer the course, or to develop, modify, and offer derivative courses of instruction in both conventional and non-conventional settings (including courses intended for Internet delivery), whether at the University or elsewhere.
  - d. This license shall continue to be available to the University even if the faculty member should leave the University.
- D. Recognition of Creator's Interests: In recognition of the Creator's desire to ensure the intellectual integrity of his or her work, the University will give consideration to the views of the Creator as to the use and disposition of Intellectual Property rights when it takes title to the Creator's Intellectual Property under this policy. When the University owns a copyright under



this policy, the Creator will be permitted to use the work for his or her own non-commercial purpose.

## VII. ORGANIZATION/MANAGEMENT/ADMINISTRATION

- A. Acknowledgment of University Impact and Authority: The University recognizes that the evaluation of inventions and discoveries and that the administration, development, and processing of patents and licensable inventions involve substantial time and expense and require special talents and experience.
- B. University Office: The Vice President for Research shall encourage research and scholarly activity, review and recommend to the President changes in procedures, resolve questions of intellectual property ownership, and make such recommendation as are deemed appropriate to encourage disclosures and ensure prompt and effective handling, evaluation and prosecution of intellectual property opportunities and to protect the interests of the University and the public.
- C. Disclosure: All Intellectual Property in which the University has an ownership interest under the provisions of this policy and/or for which disclosure is required by law or agreements shall be reported promptly in writing by the Creator(s) to the Office of Innovation Management (OIM), routed through the appropriate administrative chain. The IP disclosure to the OIM shall constitute a full and complete disclosure of the subject matter of the discovery or development and shall identify all Creator(s) participating therein, including the percentage contribution of each Creator towards the Creation. It is to be noted that distribution of the inventors' share of royalties amongst the inventors will be exclusively based on the information (of Creators and their respective contributions) contained in the IP Disclosure document.
- D. Cooperation: The creator shall furnish such additional information and execute such documents from time to time as may be needed or desired to perfect the invention or patent, market or license the invention, technology or patent or as may be reasonably requested. The creator shall execute any documents requested by the University to assign all rights, title and interest to the University of any invention or technology. The creator shall cooperate in executing declarations, assignments or other documents as may be necessary or desired in the course of invention evaluation, patent prosecution and/or protection of patent or analogous property rights, to assure that title to such rights are held by the University. The creator shall cooperate in litigation involving the University arising in any manner from the invention, patent, patent application or assignment of rights involving the invention and/or patent. The creator shall cooperate in reasonable marketing efforts related to the invention, discovery or patent.
- E. Evaluation and Exploitation Decisions: When a potential intellectual property disclosure application is received by UL Lafayette, the University, acting through the Office of Innovation Management and with the approval of the Vice President for Research, shall proceed with one of four courses of action: (a) pursuit of commercialization by the University; (b) release to the sponsor of the research under which the IP was developed, if contractually obligated to do so, (c) return to the inventor(s) for further research and development before further action; or (d) release of the idea/invention ownership to the inventor(s), if permitted by law, for his/her/their own intellectual property pursuits by license or assignment as appropriate and as determined to

be in the public interest, relinquishing University responsibilities for costs and retaining a royalty interest. Exploitation by the University may or may not involve statutory protection of the intellectual property rights, such as filing for patent protection, registering the copyright or securing plant variety certification. No assignment of or license for (or option to assign or license) any invention developed in the course of research supported by funds or utilizing facilities administered by the University may be entered into by any University personnel without the written consent of the University. The University shall have the ultimate right to resolve any conflict of interest arising in this connection with third parties or organizations. The basic objectives of the intellectual property policy stated above shall serve as the criteria for approval of assignments, licenses, and agreements to assign or license.

- F. Abandonment of Intellectual Property: Should the University decide to abandon development or protection of University-owned intellectual property, ownership may be assigned to the creator as allowed by law subject to the rights of sponsors and to the retention of a license to practice for University purposes. The minimum terms of such license shall grant the University the right to use the intellectual property in its internally administered programs of teaching, research, and public service on a perpetual, royalty-free, non-exclusive basis. The University may retain more than the minimum license rights, and the assignment or license may be subject to additional terms and conditions, such as revenue sharing with the University or reimbursement of the costs of statutory protection, when justified by the circumstances of development.
- G. Decision-Making Timeline: Within 120 days of receipt of a written disclosure or other such reasonable period of time as may be agreed upon by the parties, the institution will inform the principal Creator of its substantive decisions regarding protection, commercialization, and/or disposition of Intellectual Property that he or she has disclosed. The institution shall be bound by any confidentiality agreement made with any external parties.
- H. Commercialization by Creator: The University may, at its discretion and consistent with the public interest, license intellectual property to the creator on an exclusive or nonexclusive basis. The creator must demonstrate technical and business capability to commercialize the intellectual property. Agreements with creators will be subject to review and approval of conflict-of-interest issues in accordance with applicable University policy.
- I. Foreign Applications: The appropriate foreign intellectual property protections will be sought whenever it is reasonably anticipated that commercialization will be carried on outside the United States. There will be an annual review of foreign intellectual property protection status. Subsequent to review, foreign intellectual property protections may be discontinued.
- J. Reporting Requirements: The Creator(s) shall report annually to the University any and all proceeds and/or units distributed for all copyrightable works and other Intellectual Property, regardless of the University's ownership interests.
- K. Questions Related to University Ownership: In the event there is a question as to whether the University has a valid ownership claim in intellectual property, such intellectual property should be disclosed in writing to the University by the creator. Such disclosure is without prejudice to the creator's ownership claim. The University will provide the creator with a written statement as to the University's ownership interest.

## VIII. PROCEEDS DISTRIBUTION

In the event that royalties are generated by intellectual property rights assigned or licensed to the University, an appropriate share of such royalties shall be paid to the creator. The University may recover its costs before the following conditions apply. Net revenues on Intellectual Property available to the University shall be used for research, development, and other scholarly activities and allocated one hundred percent to the University where the Intellectual Property originated. The Creator's share shall be determined by the following:

- A. In cases where the University or Creator, as the case may be, assign such Intellectual Property rights to a research corporation under contract to an University or to the System, the share of revenue to be paid to the Creator shall be governed by the terms of the contract between the University or System and the research corporation.
- B. In cases where the Intellectual Property is covered by a contractual agreement with a sponsoring agency, the financial arrangements shall be in accordance with that contractual agreement as negotiated between the University and the contracting agency.
- C. In cases of sponsorship by federal agencies, compliance with the appropriate federal regulations shall be effected in the ultimate agreement.
- D. In cases where the University retains ownership of an Intellectual Property from a Creator or Creators, and/or expends funds to develop and market the Intellectual Property, any revenues generated will be used first to cover the expenses of protection (filing, procuring, and maintaining) and marketing the Intellectual Property. Of the Net Royalties (defined in Section III.W), the percentage allocations of the various shares of intellectual property income shall be calculated and governed as follows<sup>1</sup>:
  - i. Inventor's share shall be 40%; the University's share shall be 60%.
  - ii. The University's share shall be allocated as follows:
    - a. the Office of the President/Provost shall receive 10% of all Distributable Royalties – these funds will be set aside to support faculty startup funds, seed-research enhancement grants, undergraduate research enhancement, among others. The utilization of these funds and allocation across colleges will be at the discretion of the Provost, in consultation with the university administration and Deans, as appropriate.
    - b. the Office of the Vice President for Research shall receive 30% of all Distributable Royalties – these funds will be set aside to support the activities of the Office of Innovation Management including, but not limited to, maintenance and expansion of patent protection, IP marketing activities, and enhancement of IP commercialization systems and processes.
    - c. the home Department of the inventor(s) and their administrative unit (Colleges) shall each receive 10% of all Distributable Royalties; and
    - d. When the Inventor is affiliated with a Center rather than a College, the Center shall receive 10% and the Center's administrative unit (Office of VP

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<sup>1</sup> This will be hereinafter referred to as "Dean Carlson Policy on IP Revenue Distribution," in recognition of the contribution of Dr. Gerald Carlson, Dean of the College of Education to the formulation of this policy.

for Research, Office of VP Academic Affairs, etc.) shall receive 10% of all Distributable Royalties.

The University may approve exceptions to the established royalty distribution in extraordinary circumstances. The Inventor's Share will be distributed amongst all inventors in a manner commensurate to their respective percentage contributions to the invention as per the information provided within the IP Disclosure Form; in the event percentage contribution information is not included in the IP Disclosure Form, the Inventor's Share of Distributable Royalties will be split equally among all inventors. The Inventor's Share will continue even though he/she/they may have left the University. Inventor's shares shall pass to the Inventor's heirs and assigns in the event of the inventor's death. When none of the inventors has a home department/college/center, the Inventor's home unit's share is added to the University Share, and assigned to the Office of VP for Research.

The University may choose not to retain ownership to a particular invention, intellectual property or technology, releasing its right(s) to the intellectual property to the creator. To receive title to any University invention that the University chooses to not retain title, the creator in accepting the transfer of such technology shall be subject to the following: (i) the University retains a royalty-free, perpetual non-exclusive license to make, have made, and use the invention and any improvements thereon for research and educational purposes; (ii) the transfer is subject to any obligations to outside sponsors of research; (iii) in the case of multiple inventors, all the inventors have reached a written agreement as to the disposition of the title to the invention or technology; and, (iv) the agreement and transfer is made pursuant to any revenue sharing and/or patent reimbursement agreement that may be negotiated between the inventor and the University. In instances where the University chooses not to retain ownership of the intellectual property, the creator shall obtain permission from the University President, or his or her designee, before associating the University's name, logo or other mark with the intellectual property.

As a matter of University policy, UL Lafayette shall require each licensee of UL Lafayette Intellectual Property, and ordinarily each sub-licensee, to obtain reasonable levels of liability insurance or to have adequately capitalized self-insurance, the amount of required liability insurance to be determined in view of the reasonably perceived risks presented by the particular technology being licensed. This insurance coverage shall commence no later than the date when the first commercial sale under the license is made, or if earlier the date of the first clinical trials of a human drug or medical device; and shall continue in effect until the expiration of all applicable periods of prescription or statutes of limitation. The UL Lafayette shall be named as an additional insured in each such insurance policy.

In circumstances where UL Lafayette assigns or waives certain intellectual property rights in favor of the authors or inventors, then, unless there is an authorized written agreement by the University that expressly provides otherwise, in each such case the assignment or waiver shall be without representation or warranty from the University of any kind, including no warranty or representation as to validity; scope; enforceability; inventorship; authorship; title; or absence of infringement of third party patents, copyrights, trademarks, or other third party rights. As examples: (a) In such a case it shall be an author's sole responsibility to obtain any necessary copyright clearances from third parties; and (b) In such a case it shall be an inventor's sole responsibility to obtain any necessary patent licenses from third parties. Furthermore, authors and inventors in such cases are cautioned that the waiver or assignment of such intellectual property rights by UL Lafayette does not include the right to use any UL Lafayette Mark.

## **IX. MANAGEMENT OF INTELLECTUAL PROPERTY**

The business aspects of commercializing intellectual properties are the responsibility of the UL Lafayette, through its Vice President for Research with the approval of the President. The University may use its allotted portions of the net income received to employ individuals to fulfill specific functions, such as licensing specialists, clerical support personnel, or media specialists to assist with production and distribution of videos and films (expenses such as mailing, copying, and other support consistent with marketing the product will be deducted from income generated before distributions are made pursuant to this policy.)

It is the responsibility of the University Deans, University Department heads, and University Center Directors to act in harmony with these guidelines, to act so that University resources including University personnel time are used appropriately, and to work with UL Lafayette to promote the proper fulfillment of the objectives of this policy. The purpose of this revenue sharing model is to enhance the spirit of entrepreneurship and celebrate the culture of innovation across the University. It is the responsibility of the University Deans, University Department heads, and University Center Directors to provide a report of royalties received and related expenditures at the end of each fiscal year. Further, these administrative heads shall develop and submit a proposed budget for the utilization of these revenues at the beginning of every fiscal year to the Office to the Provost and the Office of VP for Research.

A purported assignment, transfer, license, assertion of ownership, or other disposition of UL Lafayette Intellectual Property by the inventor(s) or author(s), without the prior written approval of an authorized University official, is void and will not be recognized by UL Lafayette -- including, by way of example and not limitation, any such purported assignment or other disposition in a consulting agreement, research agreement, material transfer agreement, or confidentiality agreement.

## **X. FOREIGN APPLICATIONS**

There will be an annual review of foreign application/intellectual property status. Foreign applications/intellectual property that are not active with respect to license or license potential may be dropped.

## **XI. MAINTENANCE FEES**

When the University's patents or other intellectual property are subject to the payment of maintenance fees in order to keep such intellectual property in force, there may be instances in which the University decides to abandon some of its non-producing intellectual property. Regarding such non-producing intellectual property to be abandoned by the University, the University will offer to convey such intellectual property to the inventor(s) in upon such terms and conditions as the University may determine.

## **XII. INFRINGEMENTS**

No University personnel shall accuse any third party of infringing any intellectual property owned by the University unless express written permission has previously been obtained from the President of the University to make such allegation or accusation of infringement. Prior to granting such permission and

prior to initiating litigation to resolve infringement of a University intellectual property, the President shall consult with legal counsel and other counsel, as the President deems appropriate.

### **XIII. DISAGREEMENTS AND APPEALS**

University personnel shall have the right to appeal decisions of the Office of Innovation Management. Appeals shall be made to the Vice President for Research and/or President of the University. University personnel may, in accordance with by-laws of the University of Louisiana System Board of Supervisors, apply to the Board of Supervisors for a review of the decision of the President.

### **XIV. OWNERSHIP OF WORKS CREATED BY NON-EMPLOYEES**

The University claims ownership of Intellectual Property prepared for it by non-employees and requires that all non-employees retained to do work for it enter into a written agreement providing for ownership by the University of any Intellectual Property created for it by such non-employees.