

Attachment II-E**AMERICAN UNIVERSITY PATENT POLICY**

American University believes that its faculty and staff should be encouraged to contribute to the development of science and technology. For this reason, it is the objective of AU that any member of the university who invents a patentable device or procedure should benefit financially from its commercial exploitation, wherever possible. While AU could claim rights in all inventions of faculty or staff members that are in any way related to their employment, to do so would be inconsistent with that objective. At the same time, however, patentable inventions resulting from the creativity of AU faculty and staff also may reflect significant investments of university resources. Under some circumstances, therefore, it will be appropriate for AU to share in the proceeds of an invention's commercialization. The objective of this Patent Policy is to define the relative rights of faculty/staff inventors and AU in a variety of different situations.

Obviously, a policy such as this one cannot anticipate all cases that may arise or dictate exactly how each case will be categorized in terms of that policy when it does arise. Under this policy such determinations are to be made by the Provost of the university, acting on the advice of a standing Patent Committee, which shall have a membership of five, including no fewer than three members of the full time faculty, one of whom shall serve as chair. Decisions of the Patent Committee shall be made by a majority of the members present and voting at any regularly scheduled or specially called meeting, except that no decision of the Committee shall be effective unless it has the support of at least two full time faculty members.

In order for the provisions on the division of rights in inventions outlined below to be put into effect, this policy requires that any member of the AU faculty or staff who believes that he or she may have devised a patentable invention, under any circumstances and without regard to whether such invention was devised on university premises or with the use of university facilities, shall immediately notify the Patent Committee, using a reporting form prescribed by that committee, of the nature of the invention and the circumstances under which it was devised.

Faculty members engaged in outside consulting activities authorized by AU (see part B of this policy, below) are excused from this reporting requirement to the extent that those activities are governed by confidentiality agreements that expressly prohibit disclosure to the committee.

The committee shall have 90 days, or in the case of a notification received by it between May 15 and August 30, until October 15, whichever shall be longer, in which to respond to a report of a possibly patentable invention by indicating into which of the categories detailed in this policy that invention falls. During this period, the faculty/staff member may publish accounts of his or her invention, in accordance with the ordinary academic or professional practice.

If at the conclusion of this period the committee has not made a written response to the notification, the faculty or staff member will be deemed to be the sole proprietor of the rights, if any, in his or her invention. Where the Patent Committee responds by determining into which of the categories detailed in this policy an invention falls, the categorization, in turn, will determine the manner in which rights in the invention shall be apportioned between the individual inventor and AU.

A. Inventions resulting from wholly personal research:

These are inventions that a faculty or staff member has devised while working on non-university premises, without the use of university facilities, outside his or her regular working hours, and that have no other connection to his or her duties as a university employee.

Rights in the proceeds of these inventions belong exclusively to the inventor. In the event that he or she seeks university assistance in perfecting, protecting, and/or marketing the invention, an allocation of rights and proceeds will be negotiated between the inventor and AU.

B. Inventions resulting from authorized consulting activities external to AU:

These are inventions devised by a faculty member while pursuing projects on behalf of entities other than AU, as permitted by university policies on outside consulting activities.

Ownership of rights in inventions of this category is governed by the agreement between the inventor and the entity for which the work that gave rise to his or her invention was performed. AU claims no share in any proceeds from such inventions. In the event that the inventor seeks university assistance in perfecting, protecting, and/or marketing the invention, an allocation of rights and proceeds will be negotiated between the inventor and AU. To the extent that faculty consulting activities exceed the limits imposed by AU, rights in inventions arising from them will be governed by other provisions of this Policy, as appropriate.

C. Inventions resulting from “routine” use of AU facilities and resources:

These are inventions devised by faculty and staff members, in connection with their regular duties as university employees, but making use of no “special” university facilities or resources. This category includes inventions devised through the use or with the assistance of routinely available secretarial and administrative services, university mainframe computer support, general laboratory facilities, and the like.

Sole ownership of rights in inventions of this category may be claimed, at his or her option, by the individual inventor. In that case, AU will cede any claims that it might otherwise have to the invention in question. If the inventor wishes to have the assistance of the university in perfecting and/or commercializing his or her patent, however, he or she may so request. In the event that AU agrees to provide the requested assistance, the net proceeds of such commercialization will be shared between AU and the individual inventor on terms mutually agreed between them. In default of such agreement, each will be entitled to a 50% share of such proceeds.

D. Inventions resulting from the use of “special” AU facilities and services:

This category includes inventions that result from research projects receiving specific AU financial support, including Senate Research Grants and other special university awards, or that were devised using special equipment supplied by AU for the use of a particular researcher or research group.

Rights in the proceeds of inventions of this category shall be shared between AU and the inventor, and in default of an agreement to the contrary, each will be entitled to a 50% share of such proceeds.

E. Inventions devised in the course of performance of grants or contracts administered by AU:

This category includes all inventions that result from activities undertaken with external financial support.

The ownership of rights in inventions of this category will be governed, in the first instance, by the terms of the grant or contract in question. When those terms permit the retention of rights by the contractor or grantee, the inventor and AU each will be entitled to a 50% share, unless there has been an agreement to the contrary. AU and the inventor may negotiate mutually agreeable alternative arrangements with respect to such inventions at any time, but such negotiations shall not involve the grantor or contracting agency in any way.

Where this policy provides for negotiations between a faculty or staff research and AU concerning the allocation of rights in an invention or the proceeds from its exploitation, the officer negotiating on behalf of AU shall seek the advice of the Patent Committee prior to concluding any final agreement. In such event, the Patent Committee may advise for or against the conclusion of an agreement on particular terms, or recommend additional or alternative terms.

The Office of Sponsored Programs shall provide administrative support for the Patent Committee, and requests for information or patent notification forms should be addressed to the Director of OSP.

[Attachment II-E is policy authorized by the Office of the Provost, July 1989.]