

Section: Employee/Labor Relations

Section Number: 4.9.9

Subject: Other Working Conditions: Patent Agreement

Date of Present Issue: 09/19/03

Date of Previous Issues:
07/72, 11/81

POLICY:

On February 13, 1970, the Board of Trustees of Lake Superior State University adopted by resolution the existing Patent Policy of Michigan Technological University.

To assist staff members and to recompense the University for its contribution of employment and facilities, all professional, academic and research employees, at the time of employment, are required by this resolution to sign the Patent Agreement and the Supplementary Research Agreement, Form LSSU-239 (Attachments 1 and 2). The Patent Policy and copies of the agreement forms are printed on the following pages.

At the regular meeting of the Board of Trustees on October 10, 1969, the following Patent Policy was unanimously adopted:

PATENT POLICY

The research objectives of Lake Superior State University are:

- To encourage scholarship and to assist and improve education.
- To discover and disclose new knowledge.
- To promote the utilization of new discoveries for the public benefit.
- To aid, encourage and support industry, particularly within Michigan.
- To support the research objectives of State and Federal agencies.

The University supports research for these stated objectives and not merely because the ideas involved may be potentially profitable. The University employs research staff for their potential contribution to these stated objectives and not in expectation of their production of patent income. However, the University's concern for bringing new developments into public use requires that it be willing to patent inventions. The following elements of patent policy are designed to ensure that the University's patent activity will also support the stated research objectives:

1. The University will devote its share of net income from patents to the support of research and education.
2. The University will seek a patent when it is judged to be an appropriate and effective means of disseminating knowledge or of promoting the utilization of new discoveries for the public benefit.
3. The University will accept sponsored research which provides for assignment of patents to the sponsor, when this is consonant with the objective of supporting industry.
4. The University intends that the obligation for disclosure shall not unduly interfere with prompt publication of research results.

The University recognizes the equities of the sponsor and inventor, as well as its own, in any invention devised through the use of funds or facilities administered by the Institution. The following elements of patent policy are designed to define these equities:

5. In cases in which the University or its assignee acquires patent rights,
 - a. The University may permit the sponsor or sponsors royalty-free, non-exclusive, non-transferable right to use the invention.
 - b. The University will provide a share of the royalty income and/or other income for the inventor or inventors, this share being 15% of the net income received by the University for the patent. The subdivision of this 15% among multiple inventors is a matter of agreement among them.
6. In cases in which the sponsor or sponsors acquire patent ownership, the University will provide a share of royalty income for the inventor or inventors as provided in b above if the terms of the contract provide for royalty payments to the University or its assignee; otherwise the University will provide for payment of an application award of \$100 at the time of filing of the patent application. The subdivision of this \$100 among multiple inventors is a matter of agreement among them.
7. Subject to administrative decision, the University may relinquish its equity in any invention to the inventor or inventors.

The University claims no equity in inventions developed without the use of its funds, facilities, or equipment. The following element of patent policy is designed to provide for assistance to the inventor or inventors in such cases

8. In cases in which the University claims no equity, the University, at its discretion, may agree to assume the costs of the patent application upon assignment to the University or its assignee and to share the royalty income and/or other income with the inventor or inventors as provided in 5b above.

The University recognizes the right of certain employees to perform consulting services subject to the terms and conditions on the policy for consultants. When University equipment is used for such purposes, the University has an equity in any invention which may be developed.

The following element of patent policy is designed to provide for recognition of this equity:

9. The University may permit use of University equipment for approved consulting purposes with provision for assignment of the patent to the consultee, such use and assignment being subject both to prior agreement by the University and to payment of a charge in addition to the normal use charge for agreeing to relinquish its equity in any inventions that result.

The following elements of patent policy are designed to protect the equities of the inventor or inventors, the sponsor or sponsors, and the University.

10. The University will state the terms and conditions of patent ownership in every research contract that is negotiated.
11. The University will require every professional, academic, and research employee to sign a patent agreement that is in accord with this patent policy.
12. Where an inventor reduces to practice a conception with the use of University facilities or in the course of his or her employment, the University may claim rights even though the conception may have occurred outside of the inventor's University employment

[Patent Agreement Form \(PDF\)](#)