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ANSWERS FOR YOU

Intellectual Property Considerations In Sponsored Research

Presented by **Sponsored Research Services**



TEXAS A&M UNIVERSITY
Division of Research

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What is Intellectual Property?

- Intellectual property (IP) refers to creations of the mind, such as inventions; literary and artistic works; designs; symbols, names and images used in commerce; and information that may have economic value by virtue of not being generally known.
- The most well-known types are [patents](#), [copyrights](#), [trademarks](#), and [trade secrets](#).

Patents

A patent is a time-limited legal right granted by the government to exclude others from making, using, offering for sale, selling, or importing an invention – a limited monopoly.

Patentability criteria –

1. New or Novel
2. Useful
3. Non-Obvious

Common Pitfalls for Patents

- If the inventor allows other people to know about the invention before a patent application is filed, the inventor may lose his/her opportunity to obtain patent rights.
- Do not disclose the invention without an executed confidentiality or non-disclosure agreement.
- General rule: No public disclosure until a patent application is filed.

Copyrights

- A copyright is an exclusive legal right to determine whether, and under what conditions, a work of authorship may be used, copied, displayed, performed, or distributed by others.
- Copyright protects the original works of authorship (e.g. expression), but not the concept or idea that is expressed.
- Duration
 - Sole author: life of author + 70 years
 - Joint authors: life of last surviving author + 70 years
 - Work for Hire: Earlier of 95 years from publication or 120 years from creation

Trademarks and Trade Secrets

- A trademark is a word, phrase, or logo that identifies a product or service with the source of that product or service. Trademarks are associated with commerce and must be utilized in commerce in order for trademark registration to be granted and maintained.
 - the A&M System may work with a company to register a trademark to be used along with licensed intellectual property.
- A trade secret is information that is not disclosed publicly and is managed in a manner to prevent public release, typically in an effort to maintain some competitive advantage.
 - Generally, trade secrets conflict with the institution's mission to publish **anSRS4u**

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System Intellectual Property (IP) Policy 17.01

With some exceptions as specified in the policy, the A&M System owns all intellectual property conceived or developed by an IP creator:

- a) as a result of activities related to an individual's employment responsibilities with the System or a member;
- b) with financial support from the System or any of its members, or financial support received from a third party that is administered by the System or a member;
- c) with significant use of System and/or member resources; or
- d) any combination of the foregoing.

System Intellectual Property (IP) Policy 17.01 cont'd

The IP policy also:

- establishes offices to manage IP and commercialization on behalf of the System
- specifies that commercial revenues from IP are shared with the inventors, System members associated with the IP, and 5% provided to a System commercialization development fund
- allows for the A&M System to form start-up companies to commercialize IP as an option

Texas A&M Technology Commercialization and Member Commercialization offices

- Texas A&M Technology Commercialization (TTC) was established by the board to manage, transfer, market and otherwise commercialize intellectual property owned by the System or in which it owns an interest.
- Member Commercialization offices
 - Texas A&M University
 - Texas A&M Engineering Experiment Station
 - Texas A&M Transportation Institute
 - Texas A&M AgriLife Research

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IP Terms Under Research Contracts

- Externally-funded research comes with contracts containing provisions on ownership and control of IP that may arise from the funded research
- While the IP provisions of research contracts/awards may vary somewhat, the basic principle is that the A&M System maintains ownership of inventions coming from research, and those inventions are managed per A&M System Policy 17.01 and regulations under that policy
 - Any exceptions to the A&M System owning the inventions created under sponsored research requires administrative approval
 - Funding alone is not justification for sponsors to own inventions coming from that sponsored research
 - Become familiar with requirements of disclosing inventions to the sponsor once awarded

Disclosing Intellectual Property

- IP creators should submit a disclosure form to the TTC, directly or via Member Commercialization Offices
- Disclosure forms document the circumstances under which the invention occurred or the details of the completion of the copyrightable work and provides the information necessary to evaluate intellectual protection options, inventor/authorship issues, commercial potential, and any obligations to research sponsors.
- It is not necessary to disclose pedagogical, scholarly or artistic works.

IP in Industry Sponsored Contracts

- Typically, an industry sponsor is provided a time-limited first option to negotiate a license to any System IP created under the project for commercial use.
 - The idea is that the sponsor is paying for the research project to be conducted, but this does not include full compensation for IP that may be unexpectedly generated during the project.
- Commercial rights in IP developed under the sponsored research are more appropriately conveyed through a subsequent license negotiated with the System.

Commercial Licenses

- May be exclusive or nonexclusive
- Include all or some of the patent rights (make, have made, use, sell, offer to sell, import) or copyright rights (reproduce, distribute copies, publicly perform, prepare derivative works)
- May be limited as to the field of use and/or geographic locations
- Include financial considerations and diligence milestones

IP Considerations for Research Proposals

- Do you have an existing invention (background intellectual property) you will be utilizing under the proposed project?
 - Verify that your use of an existing invention will not violate agreements with other external parties
 - If your existing invention has not yet been disclosed to the TTC or a Member Commercialization office, complete and submit an invention disclosure or contact an office to discuss

Other IP Considerations for Proposals

- Will your project utilize resources or discoveries from another externally-funded project?
 - Verify that there are no restrictions or conflicts pertaining to use of those resources or discoveries under the proposed project
- Does a proposal you are submitting to a for-profit entity contain proprietary information that may need to be protected?
 - Before revealing critical details to the company, a confidentiality agreement may be needed

IP-Related Requirements with Federal Agency Funding

- Most federally funded research is subject to the Bayh-Dole Act (1980), which provides for universities and small businesses to maintain ownership of inventions created with federal funding
- In most cases, federal agencies maintain the right to use the inventions royalty-free for governmental purposes although the inventing entity has the ability to commercialize the invention
- Strict guidelines and timelines apply concerning inventions, such as:
 - Notifications of inventions within a designated time period
 - Election of title to an invention within a designated time period
 - Ongoing reporting obligations regarding patent protection and commercialization (licensing efforts)
- TTC (the "central" IP office for the A&M System) is responsible for handling such notifications/reporting, but the member commercialization offices assist in these efforts

Federal Sponsor Requirements to Report Intellectual Property

- Invention Report - Within **2 months** of inventor's initial report to the grantee / contractor organization.
- Election or Nonelection of title to invention - within **2 years** of the initial reporting of the invention to the lead federal agency sponsor. (Earlier, if disclosed publicly or if patent application filed)
- Patent Application - Within **1 year** after election of title, unless there is an extension.
- Changes in Patent Application Status
- Invention Utilization Reports – annually when required
- Annual and Final Invention Statement

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Results for Invention Report Search

Invention Title	Drill Head and Drilling Method Using Targeted Energy Focusing to Induce Micro-cracking		
Invention Docket Number	5012TEES19	Invention Report Number	3027601-19-0020
Primary Agency	DOE	Invention Report Date	10/30/2019
Invention Status	Elect Title		

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- TTC handles invention-related reporting to iEdison

- For iEdison questions contact:

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Federal Agency Offices Using iEdison*

- [Agency for Health Care Research and Quality](#)
- [Agricultural Research Service](#)
- [Air Force Office of Scientific Research](#)
- [Army Research Office](#)
- [Defense Advanced Research Projects Agency](#)
- [Department of Energy](#)
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- [National Institute of Standards and Technology](#)
- [National Science Foundation](#)
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*This is a partial list; currently 32 agencies use iEdison.

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Other IP-Related Items in Federal Sponsored Contracts

- **Copyrights – FAR Clause 52.227-14**
- Federal Acquisition Regulations (FAR) Applies to Federal Contracts
- Generally, the contractor must obtain permission of the contracting officer prior to asserting rights in any copyrighted work containing data first produced in the performance of a contract.
- Alternate IV of the clause grants permission for contractors to assert copyright without having to ask. This is the appropriate alternate for colleges and universities.

Copyrights – Uniform Guidance

- Applies to Grants and Cooperative Agreements
- The [non-Federal entity](#) may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a [Federal award](#).
- The [Federal awarding agency](#) reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

Data – FAR 227-17 data definition

- For this purpose, "data" means recorded information, regardless of the form or media on which it may be recorded,
- Includes technical data and computer software.
- Examples: writings, films, sound recordings, pictorial reproductions, drawings, designs, or other graphic representations, procedural manuals, forms, diagrams, work flow charts, equipment descriptions, data files, data processing or computer programs (software), statistical records, and other technical research data.

Data Rights – FAR

- “Data rights” refer to the Government’s nonexclusive license rights in two categories of valuable intellectual property, “technical data” and “computer software” delivered by contractors under the FAR.
- Contractors generally retain copyright ownership of the noncommercial technical data and noncommercial computer software that they develop and deliver.

Data Rights – Uniform Guidance

The Federal Government has the right to:

- 1) Obtain, reproduce, publish, or otherwise use the data produced under a [Federal award](#); and
- 2) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

Government Licenses - FAR

- An “unlimited rights” license means that the Government can use, modify, reproduce, release or disclose technical data or computer software in whole or in part, in any manner, and for any purpose whatsoever, and to have or authorize others to do so.
- A “Government Purpose rights” license means the rights to use, modify, reproduce, release or disclose the technical data or computer software within the Government without restriction and outside the Government for a Government purpose.

Government Licenses - FAR

- “Restricted rights” applies to only noncommercial computer software and mean the Government’s rights to use a computer program with one computer at one time; transfer a computer program to another Government agency without permission of the Contractor.
- “Limited rights” means the rights to use, modify, reproduce, release, perform, display, or disclose technical data, in whole or in part, within the Government.

Takeaways

- Protect the intellectual property (IP) you create
- Contact your contracts office for a non-disclosure agreement
- Submit invention disclosures to your member commercialization offices or TTC
- Get to know the contacts in your member commercialization offices
- Know the terms of your sponsored agreement related to IP and IP reporting requirements

Questions

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