

**GOVERNORS STATE UNIVERSITY  
BOARD OF TRUSTEES**

**REGULATIONS  
Issued February 24, 2012**

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**SECTION VII. INTELLECTUAL PROPERTY**

**A. Intellectual Property Policy**

1. Introduction

Governors State University ("the University") is committed to creating an environment conducive to discovering new knowledge and providing public service through the development of many forms of Intellectual Property. Some of the Intellectual Property may have commercial value that needs to be protected through patenting, copyright protection and other mechanisms. The University has traditionally recognized and continues to foster and support development of inventions, copyrightable materials, and other Intellectual Property for public use and benefit. The purpose of this document is to state for University faculty, staff, and students the relevant University policies, as well as the nature of the responsibilities, privileges, and options held by faculty, staff, and students pertaining to the creation of intellectual properties. This policy as amended from time to time will be deemed a part of the conditions of employment for every employee. All faculty, staff, student employees, graduate students and postdoctoral fellows, as well as non-employees, who participate or intend to participate in teaching and/or research or scholarship projects at Governors State University are bound by this policy.

2. Definitions

a. Intellectual Property: The term "Intellectual Property", as used here, is broadly defined to include inventions; copyrightable works; tangible research property; and trade secrets.

b. Invention: An "Invention" is any new and useful process, machine, manufacture, or composition of matter. It must be novel, non-obvious, and useful to be patentable.

c. Patent: the exclusive right granted by a government to an inventor or assignee for a fixed period of time in exchange for the full public disclosure of details of an invention. The inventor is granted the right to exclude others from making, using, selling or offering for sale the claimed invention for a specific time period.

d. Copyright: the exclusive right granted by a government to an author for a fixed period of time in an original work. Under the federal copyright law, copyright subsists in "original works of authorship" which have been fixed in any tangible medium of expression from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. These works include, but are not limited to, the following:

- Literary works: books, pamphlets, computer programs, manuscripts, poems
- Musical works (including accompanying music)
- Dramatic works (including accompanying music)
- Pantomimes and choreographic works
- Pictorial, graphic, and sculptural works
- Motion pictures and other audio visual works
- Sound recordings
- Architectural works

e. Traditional Academic Copyrightable Works: a subset of copyrightable works created independently and at the creator's initiative for traditional academic purposes. Examples include class notes, books, theses and dissertations, courseware or lesson ware, articles, poems, musical works, dramatic works including any accompanying music, scripts, storyboards, story lines, pantomimes and choreographic works, pictorial, graphic and sculptural works, or other works of artistic imagination that are not created as an institutional initiative.

f. Creator: an 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. As used in this Policy, "Creator" includes the definition of "inventor" used in the U.S. Patent Act and the definition of "author" used in the U.S. Copyright Act.

g. Tangible Research Property (TRP): tangible (or corporeal, relating to a physical material body) items produced in the course of research projects. TRP includes such items as biological materials, engineering drawings, computer software, integrated circuit chips, computer databases, prototype devices, circuit diagrams, and equipment. Individual items of TRP may be associated with copyrights, patents or trade secrets.

h. Trade Secrets: information that is not generally known to the public; confers an economic benefit on its holder; and is the subject of reasonable efforts to maintain its secrecy. Trade Secrets include confidential information and know-how.

### 3. Patents

a. All potentially patentable Inventions conceived or first reduced to practice in whole or in part by members of the faculty or staff (including student employees) of the University

i. in the course of their University responsibilities, or

ii. with the use of University resources (such as funding, facilities, supplies, equipment, proprietary information, or personnel)

will belong to the University and will be disclosed on a timely basis to the University and assigned to the University. The Illinois Employee Patent Act, 765 ILCS 1060, shall be considered in implementing this Policy.

In addition to faculty and staff (including student employees), the provisions of the University's patent policy will apply to:

- i. all graduate students and postdoctoral fellows; and
- ii. non-employees who participate or intend to participate in research projects at the University (including visiting faculty, industrial personnel, fellows, research assistants, etc.) unless mutually agreed to by both parties.

All persons subject to these regulations will promptly disclose in writing all Inventions they create. Such persons will cooperate with the University, to the best of their ability, in protecting Intellectual Property rights in the Invention, and will furnish such additional information and execute such documents from time to time as the University may reasonably request, including without limitation, an invention assignment.

b. The University will determine whether to commit funding to obtain protection for the Invention and/or to seek to identify one or more licensees who will bear the cost of obtaining patent protection and will so notify the inventor of the decision.

c. The University may assign ownership rights to the Creator or to a third party for commercialization of the technologies, but only to the extent as allowed by law, subject to the rights of sponsors and to the retention of a license to practice the Intellectual Property for University purposes. The minimum terms of such license will 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, nonexclusive 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 and/or reimbursement of the costs of statutory protection, when justified by the circumstances of development.

d. Federally sponsored research agreements provide that all Intellectual Property developed as a result of the sponsored research project will belong to the University unless otherwise specified in writing and approved by the Provost.

e. The University (or its designee) has sole authority to negotiate with third parties for license agreements granting the right to use, develop, or otherwise commercialize University-owned Inventions.

f. The University will coordinate reporting requirements and other obligations to research sponsors regarding Inventions developed under a research contract or grant, including but not limited to obligations to the U.S. Government under 35 USC §200 et seq and 37 CFR 401.

g. If the University decides to abandon proprietary rights to Intellectual Property, rights to such Intellectual Property may revert to the Creator, subject to the rights of any sponsor and to the University's retained limited and non-exclusive rights set forth in 3.c. above.

#### 4. Copyrights

- a. All rights in copyright will remain with the author unless the material is:
  - i. a work made for hire under copyright law), or
  - ii. supported by a direct allocation of funds through the University for the pursuit

of a specific product, unless otherwise agreed, or

iii. commissioned by the University, or

iv. assigned to the University for use pursuant to a written agreement, or

v. otherwise subject to contractual obligations.

b. The University does not claim ownership to "traditional academic copyrightable works." Ownership of original course materials resides with the creator who created the materials, unless ownership is assigned to the University pursuant to a written agreement.

c. The University will retain ownership of materials created by "institutional effort" rather than by "personal efforts." For instance, work assigned to staff computer programmers is a "work made for hire" as defined by law (regardless of whether the work is in the course of sponsored research, unsponsored research, or non-research activities), as is software developed by Information Technology Services resources.

d. When the development of instructional or informational materials employs information technology and is a collaborative effort between faculty or other developer(s) and the University, there will, at the outset of the development project, be a written, signed agreement between the developer(s) and the University, identifying the materials and denominating the party or parties who have the rights to use, reproduce, modify, publicly display, distribute, and profit from the materials. It is the responsibility of developers to identify any materials included in their work that are owned by parties other than the developers and the University and to obtain written permission or licenses from such third-party owners. Unless otherwise contractually agreed, the University owns the medium in which the instructional or informational materials are embedded (e.g., Web site, CD-ROM, video recording, audio recording) and the University owns the rights to use, modify, display, sell, license, or distribute (for financial gain or otherwise) that medium. The University retains all rights to specify the extent and manner in which University-owned names, trademarks, symbols, software, and technology will be used in the instructional or informational materials.

e. The following notice should be provided on University-owned materials:

Copyright© [year]. Board of Trustees of Governors State University. All Rights Reserved.

No other institutional or departmental name is to be used in the copyright notice, although the name and address of the department to which readers can direct inquiries may be listed below the copyright notice. The date in the notice should be the year in which the material is first published. Publication is defined as the distribution of copies or phone records of a work to the public by sale or other transfer of ownership, or by rental, lease, lending, public performance, or public display. Materials may be registered with the United States Copyright Office using its official forms, at the discretion of the University.

## 5. Tangible Research Property

Tangible Research Property (TRP) is owned by the University unless otherwise specified in related contracts and grants. For example, items such as microorganisms produced under a government grant usually belong to the University as expendable property, subject to the terms and conditions of the grant. Equipment which is fabricated at the University for subsequent off-campus use by a research sponsor is owned exclusively by the sponsor, unless otherwise specified in related contracts and grants.

## 6. Trade Secrets

Trade Secrets are owned by the University or are subject to agreements with sponsors and other third parties. All persons subject to these regulations will take appropriate measures to maintain the confidentiality of Trade Secrets.

## 7. Administration

The President of the University has ultimate authority for the stewardship of Intellectual Property developed at the University. The Provost, as the President's designee, is responsible for the licensing or other exploitation of the Intellectual Property. The University, acting in accordance with this Policy, has the sole discretion to decide how best to deal with University-owned Intellectual Property. In the event of any disputes concerning the interpretation or application of this Policy, the dispute shall be resolved and decided by the President, after the President gives due consideration to the input and recommendations from the Provost.

### a. University Intellectual Property Committee

#### i. Organization:

The Committee will consist of up to nine members. The Provost will be a voting member and will serve as Chair of the Committee. Five voting faculty members will be appointed by the President for terms of three years each. Three of these will be faculty appointed upon the recommendation of the Faculty Senate. The terms of the Committee members will be staggered to provide that a minimum of one new member per year be added to the Committee. Three additional ex-officio non-voting members may serve representing the Office of Sponsored Projects and Research, Governors State University Foundation and the University General Counsel and Vice President.

#### ii. Duties:

The Committee will serve in an advisory capacity to the Provost and President of the University.

(a) In case of disputes, the Committee will make recommendations regarding:

1) what Intellectual Property belongs to the University under the provisions of this Policy; and

2) application of this Policy concerning the sharing of Net Proceeds pursuant to Section 7.b. below.

(b) The Committee will review from time to time this Policy and recommend to the University General Counsel and the Provost such changes in this Policy as the Committee deems to be appropriate for consideration by the President and the Board of Trustees.

b. University's Acceptance of Independently Owned Intellectual Property

The University may accept assignment of intellectual property from other parties provided that such action is determined to be consistent with the public and University interest. Any proposed donation must be reviewed and evaluated by the Intellectual Property Committee, and their decision reported to the Provost who will recommend acceptance or non-acceptance of such property to the President. Intellectual Property so accepted will be administered in a manner consistent with the administration of other University-owned Intellectual Property.

c. Jointly Owned Intellectual Property

Intellectual Property jointly owned by the University and a third party resulting from jointly developed and/or commercialized work will be administered in accordance with a written agreement entered into by both the University and the third party.

8. Proceeds

a. Proceeds

For purposes of this policy, "Proceeds" will refer to all cash proceeds, received by the University from the transfer, commercialization, or other exploitation of University-owned Intellectual Property. "Exploitation" here includes collaborative development of instructional or informational materials and licensing of TRP. Such Proceeds include without limitation, royalties, option fees, license fees, maintenance fees, milestone fees, sales proceeds, transfer fees, and other benefits from the licensing or transferring of University-owned Intellectual Property. If the University receives non-cash consideration or the license or transfer of rights in University-owned Intellectual Property (such as, for example, stock, options, warrants, or other interests in a company), then at such later date when the University sells such non-cash consideration, or otherwise receives cash for it, such cash receipt shall be treated as Proceeds at that time. The University shall retain sole discretion as to when and how to convert non-cash consideration into cash.

b. Revenue Distribution

When Proceeds are received by the University, the University may, in its discretion deduct all actual out-of-pocket payments or obligations (and a reasonable reserve for anticipated future expenses) attributable to prosecuting patent applications, maintaining patent rights, registering the copyrights, marketing, licensing, commercializing, or administering the Intellectual Property. The Proceeds remaining after such deductions are defined as "Net Proceeds".

i. Creator's Share.

The Creator (or Creator's heirs, successors, and assignees) normally will receive one-third of Net Proceeds. If there are joint Creators, the Net Proceeds will be divided equally or as established in a separate agreement among the Creators.

ii. Creator's College.

To further the commercialization and development of technology, the Creator's College at the University will receive one third of the Net Proceeds. For units within a College, the Creator's College and department or center will share this portion of the Net Proceeds equally. For cases in which the College or the department/center has invested a disproportionate portion of the resources to develop the Intellectual Property, the allocation of this share of the Net Proceeds will be adjusted accordingly. Any disputes concerning allocations will be arbitrated by the Provost and the Intellectual Property Committee under 7.a.ii.(a) 2). If a Creator is affiliated with more than one originating unit, or if there are joint Creators from different units, the originating unit(s) share will be divided among such units on the same percentage basis as the Creators, as defined in 8.b.i. above.

iii. University's Share.

The University will receive one third of Net Proceeds. Distribution of the University's share will be allocated to the University royalty income fund, under the supervision of the Provost, to be used to support academic technical research.

c. Revenue Generated from Intellectual Property Donated to the University

In the case of the donation of Intellectual Property to the University, after the payment of any expenses associated with the maintenance of the donated intellectual property, the College(s) that initiated or had original contact with the donor will receive 50% of the net revenue realized from the Intellectual Property and the University royalty income fund will receive 50% as its share.

d. Revenue from Actions to Enforce Intellectual Property Rights

When the University receives settlements, damages, awards or other recoveries from third parties arising from the University's enforcement of the University's rights in its Intellectual Property, such settlements, damages or other recoveries will first be used to reimburse the University (or the sponsor or licensee, if appropriate) for expenses incurred in such actions. Any net remainder of the recovery will be allocated among the University, the Creators, and their originating unit(s) in the same proportions as specified in 8.b. above.

e. Equity Holdings

The University may accept equity, under circumstances and in amounts to be determined by the Provost, in a company as consideration for Intellectual Property transfer or licensing transactions. Unless expressly approved by the President of the

University, University personnel shall not serve as a member of the Board of Directors of such a company in which the University holds equity interests. To avoid the appearance of impropriety, faculty-authors who require their students to purchase their works should:

- i. donate the equivalent amount of any royalties received from such purchases to the University for use in an appropriate fund (e.g. department or college scholarship), or
- ii. consider other appropriate methods of divesting themselves of the equivalent amount of any such royalties.