

SECTION: GENERAL

SUBJECT: PATENT AND DISCOVERY POLICY

Background: Policy provides guidance on inventions, discoveries, and patents.

Point of Contact: Academic Affairs

Other LCSC Offices directly involved with implementation of this policy, or significantly affected by the policy: Office of Grants and Contracts; instructional deans' and division offices.

Date of approval by LCSC authority: 06/2021

Date of State Board Approval: N/A

Date of Most Recent Review: 06/2021

Summary of major changes incorporated in this revision to the policy: Removed reference to College Patent Committee as none exists.

1. Policy:

- A. As a state supported public institution, Lewis-Clark State College's primary mission is teaching, research, and public service. The college dedicates these efforts to the public welfare and promotes the academic freedom of research results and scholarly works.
- B. The college recognizes, however, that inventions and discoveries of commercial importance may be the natural outgrowth of research conducted by college faculty, staff, and students.
- C. As a public institution, the college is entrusted with the responsibility to see that all inventions and discoveries made at the college are administered in the best interests of the public. It is, therefore, essential to maintain a favorable atmosphere for research and scholarly development on campus. The college will provide an additional incentive for research and development through a patent and non-patentable discovery policy which will provide direction and safeguard the interests of the inventor, the college, and the public. The college intends to encourage innovation and provide equitable distribution of income resulting from invention and discovery.

2. Purpose:

- A. To outline the college's policy regarding patents and non-patentable discoveries.

3. Applicability:

- A. This policy shall apply to all persons employed by Lewis-Clark State College or a component thereof, and to anyone using facilities or funds as outlined in paragraph 5 of

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this policy. This policy, as amended from time to time, shall be deemed to constitute part of the conditions of employment of every employee and of every student.

4. Terms:

A. The following terms are used throughout the patent and discovery policy:

- i) Invention - to mean anything that may be produced or discovered that may have commercial value, but is not patentable.
- ii) Non-Patentable Discovery - to mean anything that may be produced or discovered that may have commercial value, but is not patentable.
- iii) Inventor - to mean faculty or other employees of the college or college-affiliated personnel including students who use college facilities not regularly available to the public who are responsible for developing and producing the invention or non-patentable discovery.
- iv) College or Institution - to mean Lewis-Clark State College. All rights, privileges, and authority referenced to college or institution are subject to delegation and approval by the Idaho State Board of Education.
- v) "Net Income" - gross royalties and/or other payments, such as option payments, received by the college minus any fees or costs directly attributable to the invention being licensed. Indirect college overhead and other college costs normally associated with the operation of a college and not directly attributed to the invention shall not be deducted from gross royalties or otherwise allocated to costs or fees associated with the invention.

5. Claim of Proprietary Interest:

A. The State Board of Education on behalf of the state of Idaho claims a proprietary interest in any patentable discovery (including computer software) developed under any of the following circumstances:

- i) Arising from work performed by an employee of the board during the course of his or her duties to the agency or institution;
- ii) Arising from work performed by an employee of the board using state facilities not regularly available to members of the general public;
- iii) Arising from work performed under contract in a program or project sponsored by the board agency, institution, or a closely associated research foundation.

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6. Disclaimer of Proprietary Interest:

- A. The State Board of Education claims no proprietary interest in any patentable discovery developed by its employees or contractors arising from work performed wholly on their own time and without benefit of state facilities not regularly available to members of the general public, such as libraries and normal office use.

7. Obligations and Rights of the Parties:

A. Obligations

- i) To report promptly to the Office of Academic Affairs all inventions or discoveries to which this policy is applicable. The report shall include summarizing the concept, relevant observations, and all the general claims.
- ii) To assign title to the invention or discovery to the College.
- iii) To cooperate in:
 - (1) Executing applications and legal documents.
 - (2) Any litigation arising out of the patent application.
 - (3) Reasonable marketing efforts related to the invention or discovery.

B. Rights

- i) To receive notice within a reasonable time of the intention of the college to file a patent application on behalf of the college and the State Board of Education or to otherwise retain title to the invention or discovery.
- ii) To receive a share of any royalties or licensing fees received for the discovery or invention according to the schedule contained in paragraph I 1) b of this policy.
- iii) To receive title to any invention or discovery subject to this policy and for which the college chooses not to retain title.
- iv) To timely publication of their findings.

C. Lewis-Clark State College's obligations

- i) To provide written copies of this policy to the college community and all other parties affiliated with the college to which this policy may apply.

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- ii) To act in a timely manner to determine whether the college chooses to retain title, to submit to an external source for evaluation, and/or to determine whether a patent application is to be filed.
- iii) To give written notice to an inventor, within a reasonable time after disclosure of a discovery or invention, unless extended by mutual agreement between the college and the inventor, of the intention of the college to file a patent application or otherwise retain title to a discovery or invention.
- iv) To distribute any royalties or licensing fees received for a discovery or invention according to the schedule contained in section I 1) b of this policy.
- v) To assign to the inventor title to any invention or discovery subject to this policy and for which the college chooses not to retain title.
- vi) To make only agreements with third parties which will not inhibit a student's timely completion of a course of study or degree.

D. Administration

i) Oversight

- (1) The Office of Academic Affairs shall have overall responsibility for administration of the college's patent program assuring valuable property rights are not lost to the college. The academic vice president shall serve as the patent agent for the college.

ii) Patent Agent Responsibilities

- (1) Function as the contact regarding college patent policy and procedure.
- (2) Receive written reports of all discoveries or inventions that are subject to the college's patent policy.
- (3) Authorize commitment of resources necessary to carry out patent approval.
- (4) Coordinate efforts to market patented invention or non-patentable discoveries which have marketing potential
- (5) Engage an ad hoc group as needed, to consider patents.

iii) Ad hoc Committee

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- (1) When needed, the ad hoc patent committee will be chaired by the academic vice president plus four other members. Two shall be appointed by the academic vice president. Two additional members shall be appointed by the chair of the faculty senate with approval of the senate.
- (2) An ad hoc committee, when needed, shall report to the president. Specific functions of the ad hoc committee include:
- (3) Evaluate all discoveries or inventions disclosed to the college for potential patentability and marketability. This evaluation may be accomplished by the members of the ad hoc committee, which will include individuals holding the necessary expertise to evaluate the discovery or invention in question.
- (4) Recommend to the president the disposition of rights of any discovery or invention. The recommendation should specifically state whether rights to the discovery or invention should be retained by the college or released to the inventor for their own pursuit. In the event that the invention's rights are retained by the college, the ad hoc committee shall recommend further action to be taken such as pursuit of the patent, development of the invention for commercial purposes without a patent, or other alternative actions.
- (5) Act as a fact-finding body and make recommendations to the president on any disagreements arising out of the administration of the college's patent policy.

E. Royalties/Income

- i) Unless there is a valid written agreement to the contrary, all inventions for which the college receives royalties or other income, the royalties or income received by the college will normally be distributed as set forth below:
 - (1) All expenses incurred by the college or its patent agent or the inventor will be paid from proceeds prior to distribution of royalties or other income.
 - (2) When the college has title to an invention or patent and other income results, it shall be shared, except where specified otherwise by the funding sources on the following basis:

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Cumulative Net Income	Inventor	Division	College
First \$10,000	100%	0	0
Above \$10,000	50%	25%	25%

- (3) In the disposition of any net income accruing to the college or a component from patents or non-patent discoveries, first consideration shall be given to the promotion of research.
- (4) Co-inventors share the inventor's share in proportions agreed to among themselves. If there is more than one department, then the departments' share shall be distributed as agreed between/among departments.
- (5) If the college decides not to file a patent application nor to other-wise retain title to the invention or discovery, then the title shall be returned to the inventor. In this circumstance the inventor is free to file a patent application at his/her own expense and any royalties received shall be the sole property of the inventor.
- (6) A discovery placed in commercial use but not patented shall be subject to the same terms, conditions and restrictions with respect to disposition of royalties and income as those described for patentable inventions.

F. Board Approval

- i) Agreements with the college which grant a third party the right to make, use, or sell a patented invention or non-patentable discovery shall require approval by the president of the college and shall be reported to the State Board of Education on a yearly basis.

G. Research Agreements Involving Other Agents, Patent, and Discovery Rights

- i) In cooperative undertakings sponsored by, or involving third parties such as private industry or other colleges or universities, provisions for the control of patents and non-patentable discoveries normally should be consistent with the general policy stated above with respect to the college's share of the discovery and the disposition of the college's share of income. However, it is recognized that in some cases the interests of other organizations will justify modifications of the general policy. In those cases, the provisions with respect to patents and non-patentable discoveries shall appear in a written agreement for the review and approval of the president of the college and the State Board of Education.
 - (1) Nothing in this policy shall be interpreted as precluding the acceptance of a contract, grant, or agreement which provides ownership of inventions and patent rights by the cooperating agency or organization.

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- ii) College research should serve a public rather than a private purpose and the results should be disseminated on a non-discriminatory basis. The college encourages studies whose results can be freely published. However, the college recognizes that certain proprietary concerns of private research sponsors and the effective commercialization of research outcomes may require limited delays in publication.
- iii) The college makes no claim to pre-existing proprietary information provided by private industry. However, written agreements must clearly define that information which is considered to be pre-existing and proprietary in nature.
- iv) When inventions or non-patentable discoveries are developed in the course of sponsored research for which the college has rights, the sponsor may receive an option to acquire a limited-term, royalty-bearing exclusive license to such inventions or discoveries. Exclusive licenses may also be granted where industrially sponsored research and development may result in the application of previously conceived inventions for which the college has acquired rights, including those resulting from federally sponsored research.