

**Virginia Polytechnic Institute and State University
Intellectual Property Committee Meeting
September 15, 2010, 12:00-1:00 p.m.
325 Burruss Conference Room**

FULL COMMITTEE

The Intellectual Property Committee met September 15, 2010.

The following members were present: Dr. Bill Knocke (Chair), Dr. Foster Agblevor, Dr. Robert Broadwater, Dr. X.J. Meng, Dr. Joe Merola, Steve Tatum, Cindy Wilkinson

Invited guest members present: Mr. Steve Capaldo and Ms. Shea Dunifon

Invited guests: Michael Miller (Virginia Tech Intellectual Properties)

Those members not in attendance were: Mark Coburn, Dr. R.J. Harvey, Kay Heidbreder, Dr. Barbara Lockee, Ken Miller, Carol Roberson, Dr. Steve Sheetz, Dr. Robert Walters.

Call to Order

Dr. Knocke called the meeting to order at 12:00 p.m.

The minutes from the last meeting held April 21, 2009 were approved electronically June 16, 2009.

New Business

Following committee introductions, Dr. Knocke stated that the primary focus for discussion was the role of the Intellectual Property Committee for the coming year. Specifically he wanted to receive feedback from members as to what they believe the Committee should focus on to ensure that activities for the year are in line with University expectations while also making efficient use of the Committee's time. (A copy of Policy 13000 – VT Policy on Intellectual Property was provided).

Dr. Knocke reported that the Committee has met approximately 2-3 times per year over the past four years on an ad hoc basis to address specific IP issues. While the Committee would continue to need to attend to such situations as they arise this year he wanted to see if there were more proactive activities that the Committee could focus on.

A few potential focus points for the Committee were then presented:

- IP issues that arise within student design projects that are undertaken as part of a class assignment
- In Policy 13000 and the policy on control of research outcomes there is mention of faculty and student obligations. There is a need for better education on IP issues – what can be recommended into the system to be done in terms of better educating people on what the issues are as well as the opportunities.

The following items were discussed as ways of further educating faculty, graduate students and staff on IP matters:

- An informational pamphlet that gives an overview of Policy 13000 and addresses general IP issues (such a pamphlet was updated earlier this year by Carol Roberson)
- VTIP personnel lead educational programs within FDI every semester; however, Mike Miller reported that attendance can be sporadic at times
- VTIP presentation about disclosures at the new faculty orientation program as well as the department head training program (held in August)
- Presentation to Institute directors
- Educational programs could be formatted into a schedule of events that was publicized to the broader VT community. Such planning could result in VTIP delivering certain of their programs to 50-60 folks with the same need as opposed to providing such information multiple times to a small audience. This would multiply the impact of what is currently being done.
- Presentation at the routine faculty orientations for new faculty done by HR
- Providing a presentation to the campus-wide Department Heads' Forum
- Mentoring – Faculty members who have had success in disclosures and IP matters could be recruited to serve as a mentor to others
- Interactions with the CARS/CAGS group (composed of Associate Deans of research and graduate studies from the various colleges)

Before closing, Dr. Knocke asked that the Committee continue brainstorming about what they see as the important educational needs and how they can be best addressed in a way that takes advantage of opportunities for scaling.

Action Items

- Continue brainstorming key educational issues and how to best address them; look at other university websites and talk to colleagues
- Dr. Knocke will work to get background information from multiple departments involved with classroom-based student project design teams as to the key IP issues that arise in those situations, with the goal to formulate that information and bring it back to the Committee at the next meeting.

Adjournment

There being no further new business, the meeting adjourned at 12:50 p.m.

Respectfully Submitted,

Shelly Key
Administrative Support to the IP Committee

Subject: Policy on Intellectual Property

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1. Purpose

Publicly (state) supported universities have the multiple missions of teaching, research, support of the public interest and fostering of economic development of the area/state in which they are located.

Scholarly activities in a university setting create Intellectual Properties (IPs). IPs include research papers, books, software programs, new inventions, journal articles, etc.

The university's mission includes dissemination of IPs in the most efficient and effective manner possible. The identification and optimization of opportunities for the industrial/commercial utilization of some IPs is also part of this mission, as is the protection of the ownership rights of both the individuals and the university.

While many IPs are best disseminated by publication and placing in the public domain, there are a significant number that are most effectively handled by protection under the IP laws (i.e., patenting and copyright) and licensing (or other transfer) to private sector entities, with attendant financial considerations.

This Policy is designed to establish the rationale and the mechanisms to:

1. Establish ownership criteria and resolve ownership questions if such arise.
2. Define the responsibilities, rights and privileges of those involved.
3. Develop basic guidelines for the administration of the IP Policy.

2. Policy

2.1 Organization

The Intellectual Properties Committee shall be chaired by the Associate Vice President for Research Programs and have the following membership:

1. The Vice President for Research (also representing the Commission on Research);
2. Associate Vice President for Research Programs;
3. The University Controller;
4. The General Counsel or designee;
5. The President of Virginia Tech Intellectual Properties, Inc. (VTIP);
6. Nine at-large members of the faculty-A/P faculty-staff (with patent and copyright experience) nominated by the Associate Vice President for Research Programs in conjunction with the presidents of the Faculty and Staff Senates and the chair of the Commission on Administrative and Professional Faculty Affairs

(three-year term) (one must be an A/P faculty member and one must be a classified/university staff employee).

(IPC Chair and ex-officio members may choose ad-hoc or permanent designees.)

A. Qualifications:

At-large IPC members shall have professional background and expertise spanning the university's fields of endeavor, experience in patent and copyright matters, experience and interest in the economic/marketing aspects of technology transfer and personal contacts that they can draw on to assess technico-economic merit of individual IPs.

Individually each IPC member should have the following characteristics:

1. Background and experience to contribute to at least two of the areas outlined above.
2. Desire to be involved with matters relating to IP utilization.
3. Willingness to devote at least 6-10 hours per month to IPC matters.

B. Nominations/Selection:

1. At-Large Members: The Commission on Research in consultation with the Faculty Senate shall solicit nominations of qualified individuals from multiple sources (i.e. individual Faculty members, Department Heads, Deans, University Administration, Commissions, Faculty Senate, etc.), endorsed by pertinent Department Head(s) and approved by pertinent Dean, and shall prepare a slate of nominees (at least equal to twice the vacancies and representing all colleges of the university).
2. Staff, GSA, SGA Representatives: Each organization shall nominate at least two individuals for each position.

C. Appointment:

The President shall make all appointments. All at-large terms are for three years. Staggered terms to assure continuity are desirable. Staff Senate, GSA, and SGA representatives are appointed for one-year terms. All members may be reappointed. Interim appointments to serve incomplete terms shall be upon recommendation of IPC Chair in consultation with IPC membership.

2.2 Authority and Responsibility of the Committee

The IPC shall have the following authority and responsibility with respect to Intellectual Property:

- A. To develop and recommend university policy and policy changes dealing with IP to the Commission on Research.
- B. To review all disputed invention disclosures submitted by Virginia Tech faculty, staff and/or students for:
 1. Complete and appropriate disclosure of individuals involved in the invention and/or creation of the IP.
 2. Confirm the determination of IP ownership by university, originating individuals, research sponsors and/or governmental agencies.
 3. Examination and recommendation to the Provost for disposition of (1) and/or (2) above in those cases where a dispute remains.
 4. Coordination of evaluation and recommendation to Virginia Tech Intellectual Properties, Inc. (VTIP) of technical merit, economic potential and protection/marketing priority as needed.
- C. To make recommendations to the Provost for the sharing of royalties between the university and the authors or inventor(s) of the IPs owned by the university.

- D. To promulgate such guidelines and procedures as may be necessary for the implementation of this Policy.

2.3 IPC Working Groups

In order to effectively discharge its responsibilities, the IPC will establish the following working groups:

A. Ownership Review Group

This group shall be composed of the staff, GSA, SGA representatives and three at-large members of the IPC (selected by the IPC Chair and serving for a one year term) and chaired by the Associate Vice President for Research Programs. The group shall meet as needed with the following agenda:

1. Review all disclosures submitted that have ownership in dispute.
2. Confirm university ownership as necessary for those disclosures in which originator(s) have indicated Virginia Tech ownership.
3. Review disputes involving sponsor ownership/rights.
4. Review, discuss and reach preliminary conclusions on ownership disputes and forward disclosure/recommendation to full IPC.
5. As needed, assign each disclosure to a presenter for evaluation and review at a subsequent meeting of the Evaluation Coordination Board.

B. Evaluation Coordination Board

This group shall consist of the full membership of the IPC and be responsible for advising the President of Virginia Tech Intellectual Properties, Inc. as needed as to:

1. The technical merit of the disclosure.
2. The market/economic potential of the IP.
3. The novelty/nonobviousness (i.e., patentability) of the invention (if applicable).
4. The priority of undertaking protection/marketing.

C. Inventorship Review Group

This group, composed of three members of the IPC (appointed ad-hoc by the Chair of the IPC) and chaired by the Associate Vice President for Research Programs shall be convened when required by the existence of an inventorship/authorship disagreement concerning a given disclosure; such disagreement having been brought to the attention of the IPC Chair by any member of the faculty, staff, student body or administration of Virginia Tech.

It will be the responsibility of the IRG to gather all available facts from all concerned with the IP and, after appropriate analysis, attempt to mediate a resolution of the conflict satisfactory to all concerned. Failing that, the IRG shall provide the IPC with a compendium of the background, a summary of the conclusions and a preliminary set of recommended solutions, for their deliberation and formulation of recommendations to the Provost.

2.4 Policy Guidelines

This section outlines the criteria to be used by the IPC and its working groups in their deliberations, findings and recommendations. To the extent that individual questions are not specifically addressed, these guidelines will, at the least, give a general indication of intent and philosophy and allow proper interpretation.

A. Ownership of IPs

For purposes of this policy creations are divided into two groups:

1. The traditional results of academic scholarship, i.e. textbooks, literary works, artistic creations and artifacts.
2. The novel results of research such as products, processes, machines, software, biological technology, etc.

Intellectual properties in the first (traditional) group are considered to make their full contribution to the university's benefit by their creation and by continued use by the university in teaching, further development, and enhancement of the university's academic stature; the presumption of ownership is to the author(s). Thus, unless there is explicit evidence that the work was specifically commissioned by the university, the IP rights remain with the author(s) and the university rights are limited to free (no cost) use in teaching, research, extension, etc. in perpetuity.

In the second group, the strong presumption of ownership is to the university (with the originator having a right to share in the benefits derived therefrom). Thus unless there is convincing and explicit evidence that the IP was developed without the use of university resources and/or facilities (which may include but is not limited to any of the following: use of equipment, lab or office space, university time of originator and/or personnel under his/her control, funds supplied by the university and/or funds originating from sponsored research projects and/or donations to university/affiliated companies, etc.) ownership of the IP rests with the university and the originator(s) are obliged to sign the appropriate legal assignment documents upon request.

Within the above general guidelines, the following situations are more specifically defined:

1. **Sponsor Rights:** In the case in which an IP is generated as a result of research funded by a private sector company under a sponsored research project, the IP rights of the sponsor as defined in the applicable clauses ("Patents & Copyrights," "Intellectual Properties," "Inventions," etc.) of the Sponsored Research Agreement (as approved by the Associate Vice President for Research Programs and signed by an authorized officer of the university) shall take precedence over the rights of the university/inventor(s). Any residual rights not accruing to the sponsor shall be as defined in the general guidelines above.
2. **Federal Agency Rights:** Research projects sponsored by an agency of the federal government have statutory IP rights that are limited (in almost all cases) to a non-exclusive non-transferrable royalty-free license to any patent generated by the research, provided the inventor(s)/university advise the agency in a timely manner of their intent to retain their rights and provide for legal protection (i.e. patenting). It is the responsibility of the researcher to advise the agency of the creation of the IP and (with the assistance of the university IP manager) advise of the protection steps being undertaken. The residual rights not belonging to the sponsoring agency shall be as defined in the general guidelines above.
3. **Student Ownership:** Ownership of IPs developed by students who are also employees of the university will be determined by the rules which apply to all university employees. IPs generated by students not employed by the university and not using university resources of at least \$10,000 in their generation will be owned by the student but subject to any applicable prior rights of private sector or government sponsors and to the right of the university to use the IP internally at no cost.
4. **Joint Inventorship:** For IPs generated by a team of inventors in which one or more are not members of the faculty/staff/supported students, each inventor is usually entitled (by law) to shared ownership of the entire right. The university's claim to the shares of university-associated inventors will be as outlined in these guidelines. Ownership of outside inventors will vest in them or their assignees.

5. Special Situations: In the event that an IP ownership situation arises which is not addressed in either the general or specific guidelines outlined above, the IPC shall make a recommendation based on the spirit of the guidelines. A record of the rationale used to arrive at their recommendation shall be kept and used as a precedent for the handling of future special situations if applicable.

B. Obligation to Disclose

While it is recognized that faculty mission and expertise is concentrated and directed in areas other than commercial utilization, originators of new technology are strongly encouraged to err on the side of submitting a disclosure when doubt as to its commercial potential exists in their mind. Timely (i.e., before publication or other enabling non-confidential disclosure) submission of a disclosure to the university may also be critical to the value of the IP and is strongly encouraged.

To the extent (and as soon as) the researcher/inventor/creator obtains research results that may be considered an IP and recognizes that they may have potential for commercial utilization there exists an obligation to bring these results to the attention of the university in the form of a disclosure.

If, in the absence of a timely disclosure, commercial utilization of a technology takes place with the direct or indirect involvement of the originator(s) but without involvement by the university it will be deemed that the originator(s) have not fulfilled their obligation to disclose and the university may:

1. Take whatever legal and/or business action is indicated to protect its rights and rightful share of financial benefits.
2. Deny to originator(s) any share of revenues which would otherwise accrue to them under this policy.

C. Revenue Sharing

Revenues generated by the successful commercialization of IPs owned by the university (whether or not protected by patent and/or copyright) shall be shared equally between the university and the originator(s) of the IP, subject to the conditions and exceptions outlined below.

1. Revenues subject to sharing include royalties, licensing fees, incentives, etc. received by the assignee/licensor organization, less the costs/expenses described below. Specifically excepted from sharing are payments received and designated for specific purposes such as sponsored or unrestricted research grants, services to the university, research equipment and/or materials, consulting fees to researchers, etc. These payments will go directly to the designated entity and purpose.
2. Also excepted from sharing are revenues resulting from:
 - a. Tasks and/or activities specifically and explicitly assigned to employees by an administrative unit of the university, or
 - b. Activities and/or tasks clearly defined in the written, university approved, policy of an administrative unit of the university.

Such revenues, flowing through the university assignee organization, will accrue to the originating administrative unit of the university net of development costs.

3. Expenses to be subtracted from gross revenue before sharing shall be limited to documented direct and indirect costs for protection (patenting), marketing and development of the IP. Specifically excluded are costs incurred in the generation of the IP (i.e. research costs). Development costs shall include (but not be limited to) payments made to (or retained by) non-affiliated organizations (e.g. Research Corp. Technologies, CIT, etc.) involved in the process of commercializing the IPs owned by the university.

4. Non-cash compensation for rights to an IP may be accepted but only with the informed consent of the originator(s) of the IP. The share of net revenue not paid to the originator(s) (50 percent) shall be applied as follows:
 - a. A portion equivalent to at least 10 percent of total net revenue may be distributed to the originator(s)' primary unit(s) (e.g. Departments, Centers, etc.).
 - b. The remainder to the university assignee organization (VTIP).

D. Management Responsibility

Virginia Tech Intellectual Properties, Inc. (VTIP), a non-profit corporation affiliated with the university, has been established and charged with the mission of protecting and utilizing IPs for the benefit of the university.

All IPs assigned to the university shall flow to VTIP by assignment for operational management. The IPC (through its Evaluation Coordination Board) should make appropriate inputs and recommendations as to disposition and priority of individual IPs. Originator(s)' inputs/suggestions to VTIP are also appreciated.

E. Right Of Appeal

The originator(s) of an IP covered by this Policy shall have the right to appeal application of the policy to the IPC.

The IPC will formulate recommendations relative to each such appeal, and will forward both the appeal and its recommendations to the Office of the Senior Vice President and Provost in a timely manner. The Provost will determine the university's response to each appeal, and will so notify the originator(s) and the IPC.

If the originator(s) disagree with the IPC recommendation regarding ownership, a written appeal to the Provost must be filed within (30) thirty days of receipt of notification of the IPC recommendation. This appeal should contain an exposition of the facts as seen by the originator(s), any information they deem pertinent to the case, as well as any applicable citations of policy guidelines. A copy of the appeal document should be sent to the IPC via its Chair.

Upon receipt of the appeal, the Provost may elect to consult with any and all concerned prior to reaching a decision in the case.

In the event that any member of the university (faculty, staff or student) perceives and/or becomes aware of any irregularity in the inventorship/authorship of an IP disclosed (or about to be disclosed) to the IPC he/she should bring it to the attention of the other inventors/authors involved and/or the Department Chair(s) concerned in an attempt to resolve the conflict equitably and amicably. Failing such resolution, the facts of the cases should be submitted in writing within (30) thirty days to the Vice President for Research (with copy to the Chair of the IPC) with a request for review by the Inventorship Review Group of the IPC.

Upon receipt of such a request, the IRG shall review the facts of the case, convene a hearing for all concerned parties, reach a conclusion and present a synopsis of the case and a recommendation to the full IPC who will, in turn, make a recommendation to the Provost.

3. Procedures

4. Definitions

5. References

Policy Memorandum No. 73, "Policy on Intellectual Properties," issued March 4, 1987.

Policy Memorandum No. 121, "Policy on Intellectual Properties," issued December 9, 1991.

6. Approval and Revisions

- Revision 0

Approved by University Council, November 17, 1986.

Approved by the President, November 17, 1986.

Approved by Board of Visitors, December 5, 1986.

- Revision 1

Approved by University Council, December 2, 1991.

Approved by the President, December 2, 1991.

- Revision 2

August 31, 1999: Revised membership titles to reflect changes in titles, responsibilities, and University Council By-laws.

- Revision 3

April 15, 2008: Revised membership titles to reflect changes in titles and responsibilities.

Intellectual Property Committee 2010-2011 Members

William Knocke	Chair, Assoc. Vice President, Research Programs	ex officio
Bob Walters	Vice President for Research	ex officio
Kay Heidbreder	University Legal Counsel	ex officio
Mark Coburn	President of VTIP	ex officio
Ken Miller	The University Controller	ex officio

Nine at-large members of the faculty-A/P faculty-staff (with patent and copyright experience) nominated by the Vice President for Research and the Presidents of the Faculty and Staff Senates and the Chair of the Commission on Administrative and Professional Faculty Affairs (one must be an A/P faculty member and one must be a staff employee) (three year terms)

Steve Sheetz (research rep)	Accounting and Information Systems	2013
Cynthia Wilkinson (A/P rep)	VTI	2013
Xiang-Jin Meng (research rep)	Biomedical Science	2013
Foster Agblevor (research rep)	Biological Systems Engineering	2013
Robert Harvey (faculty rep)	Psychology	2011
Robert Broadwater (faculty rep)	Electrical Engineering	2011
Joe Merola (research rep)	Chemistry	2011
Steve Tatum (staff rep)	University Libraries	2012
Barbara Lockee (faculty rep)	School of Education	2012

 Foster Agblevor	 Robert Broadwater	 Mark Coburn	 Robert Harvey	 Kay Heidbreder
 Bill Knocke	 Barbara Lockee	 Xiang-Jin Meng	 Joe Merola	 Ken Miller
 Steve Sheetz	 Steve Tatum	 Bob Walters	 Cindy Wilkinson	

Invited Guest Members:

Steve Capaldo

Associate University Legal Counsel

Carol Roberson

Special Assistant, Research Contract Affairs

Shea Dunifon

GSA representative



Steve Capaldo



Carol Roberson

*Photo
Unavailable*

Shea Dunifon