CONTRACTS AND GRANTS (RESEARCH)
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University of California

UNIVERSITY POLICY REGARDING PATENTS

PREAMBLE

The Regents of the University of California, in administering intellectual property rights for the public benefit, desire to encourage and assist members of the faculty, students, employees, and others associated with the University in the use of the patent system with respect to their discoveries and inventions in a manner that is equitable to all parties involved.

The Regents recognize the need for and desirability of encouraging the broad utilization of the results of University research not only by scholars but in practical application for the general public benefit and acknowledge the important, of the patent system in bringing innovative research findings to practical application to those entitled thereto.

Within the University, innovative research findings often give rise to patentable inventions as by-products, even though the research was conducted for the primary purpose of gaining new knowledge. Equity in such patentable inventions may involve parties other than the inventor and the Regents. The use of University facilities or services, particularly access to duties or conditions of employment, possible claims of a cooperating agency where research is supported by the Federal funds or other situations may also give rise to a complex of interrelated equities or rights, which must be appraised and appropriately disposed of agreements between the parties.

Therefore, to encourage the practical application of University research for the general public benefit, to appraise and determine relative rights and equities of all parties concerned, to facilitate patent applications, licensing, equitable distribution of royalties, if any, to assist in obtaining funds for research, to provide for the use of invention-related income for the further support of research and education, and to provide a uniform procedure in patent matters where the Regents have a right or equity, the policy herein set forth is adopted.

STATEMENT OF POLICY

1. All matters relating to patents in which the University of California is in any way concerned shall be administered by an agency known as the University of California Board of Patents.

2. The Board of Patents shall be appointed by the Regents. It shall have full power of organization, except as herein provided, and shall decide to the provision that it shall meet at least once a year. The members shall serve without extra compensation at the pleasure of the Regents. The normal term of appointment shall be for three years.

3. The Board of Patents shall consist of eleven persons selected from among the faculty and the administration of the University, and of such other groups as the Regents may determine. Last of this number the Committee on Com- mittees of the Academic Senate shall select from the Senate at large one person to serve as a member for the normal term.

4. In its consideration of matters relating to each particular patent case or situation, the Board of Patents shall take into consideration the principles laid down in the patent laws, appropriate judicial decisions, and the laws of the State of California.

5. The Board of Patents shall have the following powers and duties, which may be delegated in whole or in part to the Patent Administrator:

a. To evaluate inventions and discoveries for patentability, as well as assess merit and practical application and, where desirable, to appoint a committee of experts to examine the merits of each potentially patentable invention and to cause such committee to report its findings to the Board of Patents.

b. To authorize applications for patent and to retain patent counsel, in consultation with the General Counsel, for matters pertaining to the filing of patent applications, the prosecution thereof, and the litigation that may arise therefrom.

c. To determine the patent and related rights or equities held by the Regents in an invention, and to negotiate agreements with cooperating organizations, if any, with respect to such rights or equities.

6. Subject to restrictions arising from overriding obligations of The Regents pursuant to grants, contracts, or agreements with outside organizations, The Regents agree, for and in consideration of and assignment of patent rights, to pay annually to the named inventor(s), the inventor(s) heirs, successors, or assigns 50 percent of the net royalties and fees received by The Regents. Net royalties are defined in gross royalties and fees, less 15 percent thereof, and those costs of patenting, protecting and preserving patent rights, maintaining patents, the licensing of parent and related property rights, and such other costs, expenses, or reimbursements as may be necessary or required by law. Where there are two or more inventors, each inventor shall share equally in the inventor's share of royalties, unless each has specifically agreed in writing to a different distribution of such share. Distribution of the inventor's share shall be made annually in February from the amounts received during the preceding calendar year. In the event of any litigation, settlement or assignment, or any other action to protect patent rights, The Regents may withhold distributions and imposed royalties until resolution of the matter.

7. In the disposition of any net income accruing to The Regents from patents, first consideration shall be given to the support of research.

Revised effective April 1, 1980.

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