Seattle University Patent Policy
Approved October 2013

Patents

A. Purpose. This patent policy establishes guidelines for disclosure and assignment of ownership of potentially patentable inventions or discoveries resulting from the work of Seattle University faculty member(s), staff, graduate students, undergraduate students, visitors and any persons using University resources and facilities. It is designed to promote, preserve, and encourage innovation, inform faculty member(s) of the University practices, protect the respective interests of all parties involved, and assist the inventor(s) and the University in realizing tangible benefits from such inventions.

B. Applicability. This patent policy of the University applies to all discoveries or inventions conceived or first reduced to practice during employment or related professional responsibilities at the University by any person with faculty status, staff, graduate students, undergraduate students, visitors or any persons using University funds, materials, or facilities. This patent policy covers the following three categories of inventions:

1. Discoveries or inventions that are subject to the terms of sponsored projects or other agreements between the University and a third party: These inventions, developed pursuant to an externally funded activity governed by a written agreement between the University and a sponsor, or pursuant to another agreement between the University and a third party, shall be disposed of in accordance with the terms of the applicable grant, contract, cooperative agreement, letter of agreement or other agreement. All agreements through which a third party funds research or projects by a University faculty member are subject to the University's review and approval. If a third-party grant or other funding agreement does not stipulate the ownership of discoveries and inventions, any discoveries or inventions shall be University-owned.

2. Discoveries or inventions that result from an exceptional contribution of University resources and that do not involve University obligations to a third party: An exceptional contribution of University resources is a contribution of University resources beyond what is ordinarily available and specifically provided to members of the Seattle University community in a given area to carry out their duties. Unless otherwise provided in writing, none of the following would constitute an exceptional contribution for faculty members: normal use of offices, laboratories, studios, office computers, libraries, secretarial services, photocopying, software that is readily available to all faculty (e.g., Angel, Canvas) and other types of resources, property and personnel that are readily and regularly available to faculty in a specific program, department or college/school. An exceptional contribution of University resources may include any use of University facilities or resources by a volunteer researcher. The University shall own these inventions.

3. Discoveries or inventions that do not involve either University obligations to a third party or an exceptional contribution from the University and developed wholly on inventor's own time and with inventor's own facilities: These inventions shall be the property of the inventor. The University shall not assume any responsibility for costs or liability of patent prosecution, maintenance or enforcement, or licensing for these inventions.

C. Patent and Copyright Agreement. All members of the faculty, including emeriti faculty, visiting faculty or other visitors using research facilities, researchers, and adjunct faculty participating in research projects shall execute a Seattle University Faculty Patent and Copyright Agreement as a condition of employment, participation in research projects, or use of the University resources. Rights and obligations under the Patent and Copyright Agreement shall survive any termination of enrollment or employment at the University.

D. Patent Procedure.

1. Disclosure of Invention.

a. Invention Disclosure. Any discovery or invention created by a faculty member and other participants, including sponsor-supported efforts, University assigned efforts, and University assisted individual efforts, must be disclosed promptly by the faculty member to the Office of Research Services and Sponsored Projects (ORSSP) by means of an "Invention Disclosure Form," which is available from that office or online at http://www.seattleu.edu/orssp/policies/. It is not necessary to wait for the final or ideal form of the idea to be developed, but rather, an Invention Disclosure Form should be filed as soon as the inventors have the first outline of a conceived discovery or invention. After the Invention Disclosure Form is submitted by the inventor, the faculty member's Dean, the Provost (or his/her designee), and University Counsel will make an evaluation as to whether the invention falls under previous Applicability Section B(1), B(2) or B(3). This evaluation will be finalized by the Dean, the Provost, and University Counsel within ninety (90) days of submission of the Invention Disclosure Form and the University will then notify the faculty member in writing of the University's decision.

b. Public Disclosure. A "disclosure" may include written documents (e.g., manuscripts, book chapters, theses, journal articles, posters, abstracts, grant proposals, etc.), oral communications (e.g., thesis defenses, seminars, or meetings), public use of research materials and prototypes, or sale or offer for sale of research materials and prototypes. Any public disclosure of invention(s) may impact the patentability of the invention(s). In the United States, public disclosure may either preclude patent protection or may initiate a one-year time limit by which a patent application is required to be filed. For most foreign countries, filing of a patent application must precede public disclosure. In order to ensure the availability of patent protection, inventor(s) shall initiate discussions with ORSSP or the University Counsel as early as practicable prior to any public disclosure if the invention has not been already disclosed as described in previous Invention Disclosure Section D(1)(a).

2. University Ownership.

a. Patent Protection and Assignment of Rights. If the University decides that the invention falls under Applicability Section B(1) or B(2), the University will then determine whether it will pursue a patent application for the potentially patentable invention. Applicability and disposition of patent rights is determined by the University on a case-by-case basis. The decision to pursue a patent application for the disclosed invention will be finalized by the Dean, the Provost, and University Counsel, and the University will then notify the inventor of the University's decision. The patent rights to inventions that result from research or other activities conducted by the inventor, other employees, or students within the specific field of expertise, training and official duties and responsibilities, or those resulting from an exceptional contribution of University resources are retained and owned by the University.

b. Release of Rights. Under certain circumstances, rights to a discovery or patentable invention will be released to the inventor upon written request. The inventor will have sixty (60) days from the date of University notification to request that the University release all right, title and interest in the invention back to the inventor. The University will release the invention back to the inventor using Agreement for Release of Invention Rights and Assignment of Rights to Royalties (Appendix A), which is available from ORSSP or in Appendix A. If the inventor does not request release of the invention within this sixty-day period, then all right, title and interest in the invention will be permanently vested in and owned by the University.

c. Inventor Cooperation. For inventions falling under Applicability Section B(1) or B(2) above, the inventor will perform such lawful acts and execute confirmation of an assignment of rights and other lawful documents as the University may reasonably request to fully protect the invention. Formal written confirmation of assignment may be required if the University decides to pursue patent protection for the inventions.

3. Inventor Ownership and Assignment. If the University decides that the invention falls under Applicability Section B(3), the University will perform such lawful acts and execute such lawful documents as the inventor may reasonably request to confirm that the invention is the property of the inventor and to fully protect the invention. The University is under no obligation to accept any assignment for inventions falling under Applicability Section B(3) from inventor, but shall evaluate and act on the petition to accept assignment in view of the procedures and objectives of this patent policy.

4. Confidentiality. Certain inventions must be maintained in confidence for limited periods in order to avoid loss of domestic and foreign patent rights. Faculty members, graduate and undergraduate students or other researchers, shall use their best efforts to keep the following information confidential including: (a) any information or material designated as confidential in a grant, contract, or similar documents; (b) any information or material designated or required to be maintained as confidential under applicable government statutes or regulations; or (c) any information relating to inventions developed by an

inventor(s) that is protectable under this patent policy until an application has been made for protection of the invention(s) or a decision is made to release the information to the public domain.

5. Collaboration and Joint Ownership. Collaboration between the University faculty member, personnel and persons not employed by or associated with the University, including researchers at other universities or companies, may result in development of discoveries or inventions that are jointly owned by the University and other institutions or companies. For jointly owned inventions, extensive cooperation and agreement among the owners are required for protection and commercialization of such inventions. Therefore, inventor(s) involved in or contemplating collaborative activities agree to cooperate and work with the University to assign patent rights, assist in locating potential commercial interests, develop appropriate agreements, and transfer inventions or technology.

6. Shared Ownership with Sponsors or Third Parties. The ownership and control of patent rights to patentable discoveries and inventions resulting from any sponsored research at the University conducted with private industry or government agencies are subject to contractual arrangements between the sponsor and the University. Generally, the University retains ownership and control of the inventions or patents as in Section B(1) or B(2) of Applicability. However, the University will consider assignment or license to the sponsor of partial or complete rights to patentable discoveries and inventions resulting from sponsored research if requested by the sponsor.

E. Division of Royalties.

1. Definition. "Net Royalties" means royalties received on an invention or inventions to which the University holds title after deduction of all direct and administrative expenses of generating the royalties, including, but not limited to, prosecuting, obtaining and maintaining a patent or patents, exploring viability of commercialization, and entering into one or more licenses with third parties. The percentage of Net Royalties paid to an inventor(s) is derived only from money or equity received under: (1) a license agreement for licensed rights; (2) an option or letter agreement leading to a license or transfer; or (3) the sale or other transfer of the applicable invention or patented technology. The percentage of Net Royalties paid to inventor(s) is not derived from research funds, payment for a service, or from any other consideration of any kind received by the University that is not directly related to use of the invention or patented technology. The foregoing provisions of this section are subject to the terms of applicable grants and contracts with third parties.

2. Percentage Allocation. In cases of University-owned inventions or discoveries that are taken to market, the Net Royalties shall be divided between the inventor(s) (as defined by the U.S. patent laws) and the University as follows:

   a. 50% to the inventor(s); and
   b. 50% to the University

3. Distribution of Net Royalties. Distribution of the inventor's share of royalties shall be made at least annually from the amount received during the previous fiscal year. If there is more than one inventor, Net Royalties will be divided equally among all inventors unless they have all agreed otherwise in writing. At the inventor's request, the inventor may audit the University's records regarding the receipt and distribution of Net Royalties, using an independent auditor, no more than once per year. In the event of any litigation, actual or imminent, or any other action to protect patent or other intellectual property rights, the University may withhold distribution and impound royalties relating only to the affected discovery or invention until resolution of the matter.

4. Equity. "Equity" means shares of stock or securities, including but not limited to stock options, warrants, or any other rights to purchase stocks or securities. Equity received by the University in licensing transactions, whether in the form of stocks or any other instrument conveying ownership interest in a corporation, shall be distributed in accordance with the Policy on Accepting Equity When Licensing University Technology.

F. Consulting. University faculty members who are engaged in consulting work are responsible for ensuring that clauses in their consulting contracts do not conflict with this patent policy or with the rights of other parties.

G. Amendment, Exceptions and Challenges.

1. Amendments. The University has the right to change this patent policy from time to time, including the percentage of Net Royalties paid to inventor(s). The patent policy in effect at the time an invention is disclosed to the University shall govern the University's disposition of royalties, if any, from that invention.

2. Exceptions and Challenges.

a. Any inventor who wishes to request an exception to this patent policy or to challenge a patent decision by the University may appeal to the Provost. The Provost will appoint an ad hoc committee of three (3) members mutually acceptable to the inventor and the Provost, including at least one faculty member and one member of the administration. The ad hoc committee will prepare a report of its findings and make a recommendation to the Provost. The Provost will then make his or her decision, which must be explained in writing, and is final.

b. In the event of any dispute arising out of or in connection with the Provost's final decision, the dispute shall be resolved by binding arbitration. Notwithstanding the arbitration rules and procedures of the arbitration service, all fees and expenses of the arbitration service, including those for the arbitrator, shall be borne equally by the parties. The place of arbitration shall be Seattle, Washington. The decision of the arbitrator shall be binding and may be confirmed and enforced in any court having proper jurisdiction. All facts, awards, submissions, and other information relating to or arising from the arbitration shall be kept confidential by the parties and arbitrator to the fullest extent permitted by law.

H. Invention Notice. The Revised Code of Washington section 49.44.140 of the State of Washington provides that: (1) a provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.

Questions regarding this section should be directed to, and addressed by, the Office of University Counsel.

APPENDIX A
AGREEMENT FOR RELEASE OF INVENTION RIGHTS AND ASSIGNMENT OF RIGHTS TO ROYALTIES

INVENTION/PATENT DISCLOSURE TITLE: _____ (the "Invention")

INVENTOR(S): _____ (the "Inventor(s)")

The Inventor(s) have conceived and disclosed the Invention to Seattle University (the "University") and the rights of the Inventor(s) and the University in the Invention are governed by the terms of the Seattle University Patent Policy (*The Faculty Handbook*). Pursuant to the Seattle University Patent Policy, the University has determined that it does not wish to participate in the protection, sale or licensing of the Invention, and, at the Inventor(s) written request, is willing to release the University's interest in the Invention to the Inventor(s), subject to the following:

1. The University hereby releases and transfers to the Inventor(s), and to their heirs, executors, administrators and assigns, all of its right and interest in and to the Invention and in and to any and all associated copyrights and/or patents, whether United States or foreign, which at any time may be granted therefor, including any and all renewals, reissues and prolongations thereof.

2. The Inventor(s) hereby grant to the University a perpetually irrevocable, non-exclusive, non-transferable, royalty-free license to practice the Invention internally for educational and research purposes only.

3. The Inventor(s) agree to indemnify and hold the University and its trustees, directors, officers, employees, students and affiliates harmless from and against any and all claims, demands, losses or causes of action related in any way to the production, marketing or commercialization of the Invention.

4. The Inventor(s) understand that the Invention is being assigned to them for their own personal activities. The University does not have any responsibility to further develop the Invention, and the University shall not be obligated to expend any additional funds, equipment, facilities or other resources on the Invention. The Inventor(s) agree not to use any of the University funds, equipment, facilities, or other resources to patent, market, license, sell or otherwise commercially develop the Invention after execution of this Agreement without the University's prior written approval and full reimbursement of the costs of such use. The rights of the Inventor(s) and the University in any improvements to the Invention or new inventions will be governed by the terms of the Seattle University Patent Policy.

5. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, THE UNIVERSITY, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES, STUDENTS, AND AFFILIATES MAKE NO REPRESENTATIONS AND EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY OF PATENT RIGHTS CLAIMS, ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A REPRESENTATION MADE OR WARRANTY GIVEN BY THE UNIVERSITY THAT THE PRACTICE BY INVENTOR(S) OF THE INVENTION GRANTED HEREUNDER SHALL NOT INFRINGE THE PATENT RIGHTS OF ANY THIRD PARTY. IN NO EVENT SHALL THE UNIVERSITY, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES, STUDENTS AND AFFILIATES BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGE OR INJURY TO PROPERTY AND LOST PROFITS, REGARDLESS OF WHETHER THE UNIVERSITY SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY.

6. This Agreement may not be assigned without the prior written mutual consent of the parties.

7. This Agreement shall be governed by the laws of the State of Washington.

IN WITNESS WHEREOF, this release and assignment has been duly executed by the University and the Inventor(s) as of the date set forth below.

INVENTOR

By_____
Printed Name_____
Title_____
Date_____

SEATTLE UNIVERSITY

By_____
Printed Name_____
Title_____
Date_____

INVENTOR

By_____
Printed Name_____
Title_____
Date_____

INVENTOR

By_____
Printed Name_____
Title_____
Date_____