

Faculty Senate Minutes for February 3, 2012

President Jack Zibluk called the meeting to order at 3:02pm.

Senator Andy Mooneyhan moved to accept the minutes. Without objections the minutes were accepted.

President Report

Chancellor's Search Update

President Jack Zibluk reported he had been in contact with University President Chuck Welch who granted Zibluk permission to give an update on the status of the Chancellor search. Zibluk reported that more than one faculty and more than one administrator had brought concerns to Zibluk about Dr. Tim Hudson, a finalist for the Chancellor's position at ASUJ. Hudson has applied for 6 different presidential and/or provost positions within the last year. Zibluk took these concerns to Welch. Welch stated that when you are looking to move you often apply to more than one position at a time. At one location in Arkansas where Hudson had applied the politics was such that there were already favored candidates when Dr. Hudson applied. Dr. Hudson withdrew from two other searches when his current position at Texas Tech materialized.

Zibluk assured the Senate that the Chancellor's Search Committee is taking great pains to respond to the concerns of the campus. There is history of a perception of cronyism on campus. Where somebody brings in a friend and the friend gets a job. Zibluk indicated that Welch is very sensitive to this issue and does not appear to "be partying with these people". He is trying his best to vet all candidates.

Zibluk stated that if the Senate had any issues/concerns to take them to Zibluk and he will carry them forward anonymously.

The interviews of the finalist will start during the week of February 13, 2012. There will be an online evaluation form for feedback on each candidate.

Traffic, etc.

Campus Master Plan

President Jack Zibluk attended one of the meetings concerning the campus master plan. The plan appears to be a 20 year plan. The committee is still in the listening stage so things could change. Zibluk presented a note from Mr. Bill Hall outlining places to submit observations. Zibluk had also had discussions with Mr. Al Stoverink who is very receptive to the concerns and issues of the faculty.

The city is concerned with the traffic flow on campus, especially with pedestrian traffic entering and exiting campus. The Campus Master Planning Committee envisions the campus as a sort of oasis separate from the rest of the city so access is still an issue.

Zibluk reported that on the morning of Friday, February 3, 2012 there was an emergency at the College of Nursing and Health Profession. In order for the ambulance to gain access to the building they had to go around the barriers on the north end of Caraway Road. Senator Brenda Anderson reported that in front of the Smith building the barriers have been reoriented so emergency vehicles could get through.

Zibluk encouraged the Senate to continue to inform Mr. Bill Hall of any concerns we may have. He went on to state if anyone was not comfortable addressing Mr. Hall directly to let Zibluk know their concerns and he would forward them to Mr. Hall.

Traffic Resolution

The resolution (FS2-2012) passed by the Senate on January 20, 2012 containing a list of recommendations for alleviating problems associated with the closure of Caraway Road was brought forward. At the time of the meeting President Zibluk has not heard any news regarding the resolution. Zibluk stated he did present the resolution and all suggestions gathered from the Faculty-L listserv to both Mr. Bill Hall and Mr. Al Stoverink. Senator John Hall inquired whether the information was also sent to Interim Chancellor G. Dan Howard. Zibluk indicated he had not.

Old Business

Intellectual Property Rights

Dr. Michael Dockter stated there has been a number of policies on campus relating to research. He further stated that the ASU Intellectual Property Policy dates back to 2005 when it was originally development. The decision was made that the Intellectual Property Policy should be a Systems policy and not just an ASUJ policy. The policy in Appendix A is the Systems Policy. Dr. Dockter wanted to make certain the Faculty Senate understood that he, nor his office, were involved in the development of the policy.

Dr. Dockter went on to inform the Senate that most universities have intellectual property policies. The basic idea of these policies state if your an employee of the university and something comes out of the work you do while you are employed by the university that intellectual property belongs to the university. This follows the practice of most commercial companies as well. The defining difference with academic institutions is even though the institution owns the intellectual property the institution is generally willing to share the profits and/or money that may be a result of the intellectual property.

The current ASU Intellectual Property Policy has been changed in a number of ways to make it very conservative/restrictive, according to Dr. Dockter, with the basic premise that **everything** having intellectual property values created by faculty, staff and/or students belong to the university if it is done on university time with university resources.

Dr. Dockter stated the major change between the proposed policy and the policy created in 2005 is that it now includes works of authorship. In the past, authorship was excluded meaning that faculty in

the past owned the rights to anything they authored. If the item was submitted for publication, it was the responsibility of the faculty to negotiate with the publisher the terms of the contract for transfer of copyright ownership. Under the proposed policy the university owns that intellectual property right as well. Dockter indicated he had talked with General Council earlier in the week and now the university will be required to sign off on the contractual agreement with the publisher.

Dr. Dockter suggested the second major change in the policy, one which he credited Dr. Susan Allen for pointing out, is changing the time the university has to review disclosed intellectual property. In the past the time was 90 days. According to the new policy the time is now 2 years. Dr. Susan Allen interjected by saying this is not true. When she reported the time change to Dr. Dockter she had not read the last page of the policy. Page 12 of the policy states “[w]ithin ninety (90) days of the receipt of an Intellectual Property disclosure, the ~~Office of Research and Technology Transfer~~ above designee will review and evaluate the Intellectual Property disclosure and submit to the ~~Vice Chancellor for Research and Academic Affairs~~ chancellor of the campus submitting the disclosure its his or her recommendation regarding the disposition of the disclosure.” Dr. Dockter indicated on page 7 of the policy it states the timeline is 2 years. Dr. Allen stated the issue on page 7 involves commercialization, not copyright.

President Zibluk indicated the two issues are still controversial because they overlap. Zibluk offered up an example of a piece of intellectual property on the front page of <http://www.chronicle.com>. The intellectual property was an article he had wrote for the Chronicle, of which he disclosed he was payed. Zibluk stated he wrote the article using an ASU computer, and an ASU server to send the article to the publisher. Zibluk asked under the new policy what procedures would he have to go through in the future in order to submit an article to a publisher? Dr. Dockter indicated he did not know and in fact had asked the same question of the General Council’s office. Dockter further stated he has similar concerns because now it appears faculty members are going to have to “jump through a bunch of hoops” requiring administration steps involving having to have the faculty’s chair, dean and the Office of Research and Technology Transfer to sign-off before faculty works could be submitted for publication. The response Dr. Dockter received from General Council was all the necessary infrastructure could be established. Zibluk stated he had also asked the the General Council for clarification. See Appendix D for her response.

Senator John Hall pointed out that the institution is being pushed toward more of a research institution. He went on to say he is concerned that the new policy might actually discourage scholarship, rather than encouraging scholarship. Furthermore, he is concerned how publishers will view the university signing off on the transfer of copyright forms rather than the faculty member who authored the piece. Dr. Dockter stated he did not know the answer to what the publishers would think; however, he did say it would be very unusual for the university to be engaged in that sort of activity. Hall stated he thinks the publishers would think it is very strange and out of the ordinary. Hall asked Dr. Dan Marburger if we knew of other major universities that have a policy that is this restrictive. Dr. Dan Marburger indicated he would address this question during his presentation. Zibluk asked Marburger to go ahead and answer the question to which Marburger stated he had a lengthy presentation on the topic. Senator

Andy Mooneyhan suggested for Marburger to wait until his presentation to address Hall's question.

Dr. Dockter addressed Senator Hall's concern with the policy actually discouraging scholarship and he indicated it could discourage faculty members to write articles and present articles. This is why he raised the issue he did with General Council. Dockter pointed out there is a large difference with the university becoming with intellectual property at the level of publishing papers and the example that Mrs. Lucinda McDaniel, University Council, gave. Mrs. McDaniel provide for example the recent court case involving Stanford University and Roche, a pharmaceutical company. The Stanford University example involves a patent dispute between Stanford and Roche in which Stanford claimed sole ownership of a patent that could have made the university a large sum of money (See Appendix E). Dockter stated that one of things administrators have to do is balance the value of something with the ease of which it is completed. Dockter suggested the Senate needs to convey their concerns to General Council.

Senator Bill Humphrey questioned Dr. Michael Dockter who is responsible for protecting patentable intellectual property during the two years the university has to decide if the university will seek a patent for the intellectual property. Humphrey further stated that during the two years the university has to make a decision, someone else could develop a similar item and have it patented before the university decided to move. Dockter stated that after re-reading the section on page 7 of the policy where the two year timeline is defined the policy actually stated the university has only 90 days to decide whether or not to pursue a patent on the intellectual property. After deciding to pursue the patent, the university then has two years to develop a commercialization plan for the intellectual property. If the university fails to develop a commercialization plan within the two years, the creator of the intellectual property can request rights be returned. Dr. Susan Allen confirmed this as well. Allen further stated the language concerning the 90 days was moved to the end of the document on page 12.

President Jack Zibluk asked either Dr. Michael Dockter or Dr. Susan Allen to clarify the difference between holding a patent and commercialization. Dr. Dockter stated the faculty have responsibility of disclosing to the university intellectual property they have created. The university then has a 90 day period to decide whether to protect the intellectual property with a patent or copyright or to return it to the faculty member. If the university decides to patent the intellectual property a patent is applied for and once received the intellectual property does not have an real value until it is commercialized. The commercialization can either be done through a licensing process or through the creation of a company. The university has two years from the time the intellectual property is patented to commercialize the intellectual property.

Senator Andy Mooneyhan returned to Senator John Hall's statement of the policy discouraging faculty from publishing. Mooneyhan states the policy is in opposition to the American Copyright Law. The American Copyright Law was originally created so people could publish the sciences and share. Mooneyhan further stated in reality we are examining three different things: copyright law, case law and precedence. Mooneyhan went on to state according to the American Copyright Law, the

creator owns the copyright. President Jack Zibluk countered Mooneyhan's argument stating this has always been an issue for the Associated Press. If you work for a newspaper company and you create an article on company time then the newspaper owns article. Zibluk further stated the courts have agreed with this. Zibluk went on to say if you work for Wal-Mart they own your time while you are at work. Mooneyhan rejected Zibluk's argument saying you cannot compare a business like Wal-Mart, who hires you to do a specific job, to education, which has a specific copyright law designed to create situations to share information throughout. Mooneyhan further noted when you look at copyright law the faculty member wins; when you examine case law the faculty member wins; when you examine precedence there are maybe some chance for a precedence to be created where the faculty does not win if universities continue to create these type of policies.

Senator Bill Rowe offered the example of Scott Lewis, a former university president's assistant, who addressed the Senate and proclaimed if the faculty member was at home in the shower and the faculty member had an idea it belonged to ASU. One of the ramifications of this statement, according to Rowe, is every Art faculty member moved their studios off campus. Rowe stated the Art Department used to be occupied to at least midnight every night, sometimes even later, with faculty and student. But since the Lewis statement every Art faculty member has a studio somewhere else. Art faculty are now spending a minimal amount of time on campus thus giving them less contact with students which has drastically impacted the overall college.

Dr. John Pratt indicated the policy as it is currently written contains some conflicting wording. Pratt specifically called into question section C on page 7 which seems to indicate that "Arkansas State University will not assert ~~an~~ its ownership interest in: ... copyrightable faculty, staff, or student produced textbooks, scholarly writing, art works, musical compositions and literary works that are related to the faculty, staff, or students' professional field so long as the copyrightable Intellectual Property meets the definition of Originator owned Intellectual Property in Section V." (pages 6 and 7) But when you refer back to Section V on pages 4 and 5, a large set of language is crossed-out. Pratt inquired whether General Council understands that by leaving in the language of section C on page 7 it appears that faculty members will be able to retain the copyright of materials they write, however, when you refer back to Section V on pages 4 and 5 those rights are revoked because the language has been stricken. This seems to be causing some confusion. Dr. Dockter stated he had not addressed these specifically with General Council.

Interim Executive Vice Chancellor and Provost Glen Jones stated he had visited with General Council before the Senate meeting regarding this particular issue. Jones asked the Senate to gather their thoughts and concerns and compile them into a document to be delivered to Mrs. Lucinda McDaniel. There are legal and non-legal issues at hand and Jones does not believe the intent is stifle research however, there was a Supreme Court decision handed down so now the campus needs to address how best to handle the potential ramifications. Jones suggested that he, President Jack Zibluk and Dr. Michael Dockter should frame the document to be presented to Mrs. Lucinda McDaniel addressing the concerns of the policy. Other universities are in similar situations as we are trying to decide on the best

way to deal with the Supreme Court ruling.

Dr. Dan Marburger

Dr. Dan Marburger was asked to summarize his findings pertaining to intellectual property. Marburger stated the original Intellectual Property Policy indicates that intellectual property is all yours and the proposed policy indicates that none of the intellectual property is yours.

Marburger proceeded to compare and contrast the existing policy to the proposed policy.

Dr. John Pratt indicated he thinks the policy is more restrictive, but not that much different than the previous policy. He thinks the problem is that someone went through the current policy and tried to redefine the terms of the policy instead of creating a completely new policy.

Marburger stated the existing policy is in line with the existing copyright law.

Senator Andy Mooneyhan supported Dr. Dan Marburger's opinion on the proposed policy by stating according to copyright law if the faculty creates something they own the rights to the item. This has been upheld in the courts numerous times. Furthermore, by creating policies such as the proposed Intellectual Property Policy you are creating an avenue for precedence for future litigation.

Senator Larry Salinger questioned if the AAUP attorneys had reviewed the proposed policy and if so what were their thoughts? President Jack Zibluk indicated they had. Senator Bill Rowe stated the AAUP does not support the proposed policy.

Dr. Dan Marburger further stated that no court has every rejected the "Teacher Exception" when it pertains to an university faculty member.

Senator John Hall asked Dr. Dan Marburger if he thought this policy was being driven by the push for online instruction. Dr. Marburger stated he could not speak to ASU's reasoning and had nothing to suggest this is ASU's reasoning, but he could say with a great deal of authority that every time he has researched this issue online instruction is always prevalent.

President Jack Zibluk indicated from the discussion during the meeting there seemed to be a consensus that more work needs to be done on the proposed policy.

Senator John Hall moved to consider accepting the revised Intellectual Property Policy as delivered to the Faculty Senate from Shared Governance. Senator Bill Humphrey seconded. The revised Intellectual Property Policy was rejected unanimously.

Senators Bill Humphrey and John Hall (M/S) to accept Dr. Dan Marburger's resolution (see Appendix ??). Dr. Dan Marburger summarized his resolution. President Jack Zibluk called for discussion at which time Dr. Susan Allen brought up issues with patents and copyrights when dealing with computer

programming. Computer programs are not patented, but instead are copyrighted. The copyright is then treated as a patent.

Senator John Hall, recognizing there was a motion on the floor, asked if it would be appropriate to state the Faculty Senate would like Dr. Susan Allen, Dr. Michael Dockter and Dr. Dan Marburger to be specifically involved with working with University Council on the details of the proposed policy. President Zibluk stated it is in the Faculty Senates right to name their respentatives to work with Interim Executive Vice Chancellor and Provost Glen Jones and Mrs. Lucinda McDaniel, however, there was a motion on the floor that needed to be addressed first. Senator Larry Salinger suggested that the Washington, D.C. AAUP attorneys, not just the local AAUP attorney, should also be included in these decisions.

Senator John Hall called to question. The resolution passed unanimously.

Senators John Hall and Larry Salinger (M/S) to table Shared Governance 11FA-24 Misconduct in Research policy and Shared Governance 11FA-22 General Research policies until the next meeting.

Senators Bill Humphrey and John Hall (M/S) to create a committee consisting of Dr. Susan Allen, Dr. Michael Dockter, Dr. Dan Mooneyhan, and Senator Andy Mooneyhan to work with Interim Executive Vice Chancellor and Provost Glen Jones and Mrs. Lucinda McDaniel on the details of the proposed policy. Without objection, the motion passed.

Dr. Susan Allen and Senator Andy Mooneyhan (M/S) to adjourn. The meeting was adjourned at 4:10pm.

Attendance

Jack Zibluk – President of Faculty Association
Beverly Gilbert – Past-president of Faculty Association
Farhad Moeeni – Secretary/Treasurer of Faculty Association

Business

Faye K. Cocchiara
Richard Segall
Jollean K. Sinclair

Communications

Pradeep Mishra
Larz Roberts

Education

John D. Hall
Andy Mooneyhan
Ann Ross

Fine Arts

Claire D. Garrard
Bill Rowe

Humanities and Social Sciences

Warren Johnson
Lawrence Salinger
Alex Sydorenko

Library

Tracy Farmer

Nursing and Health Professions

Deanna Barymon
Loretta Brewer
Bill Payne
Todd Whitehead

Science and Mathematics

Hai Jiang
Bruce Johnson
Suzanne Melescue

University College

Margaret McClain

Deans' Council Representative

Andrew J. Novobilski

Visitors

Susan Allen, ABI

Michael Dockter, Associate Vice Chancellor for Research

Glen Jones, Interim Vice Chancellor and Provost

Dan Marburger, Economics

Kayla Paine, The Herald

John Pratt, Physics

Sherry Pruitt, The Sun

Appendix A

Dr. Dan Marburger's Resolution

Whereas ASU's **existing** intellectual property (IP) policy dated 2/25/2005 states that the Originator (i.e. faculty member) owns all intellectual property created within the scope of his employment as long as it does not use extraordinary system resources (Section V.1.b);

And whereas **the substance of the existing policy has a long, nationwide academic tradition in public and private universities;**

And whereas the Copyright Act of 1976 **and the federal laws governing patent rights** ~~has recognized~~ **have not rejected the long-standing principle that legal title to and ownership of inventions and scholarly original works of authorship invented or created by university faculty members does not vest automatically in the universities that employ them, and they are not "works for hire" under the Copyright Act of 1976;**

And whereas various court rulings have recognized or adopted the long-standing principle that academic faculty do not surrender their rights to their scholarly intellectual property merely because they are expected by schools or universities to produce original scholarly works of authorship or inventions, as in *Sherrill v. Grieves*, *Williams v. Weisser*, *Weinstein v. University of Illinois*, and *Bosch v. Ball-Kell*, and that no court has ever rejected applying the "teacher exception" to the academic work of university professors;

And whereas the proposed ASU IP policy unilaterally **and automatically would usurp** the "teacher exception" and **assign** to ASU sole legal title **to and all ownership rights in** all intellectual property developed by ASU faculty "at the moment of its creation", including all research, creativity activity, development activity related to the duties and responsibilities of the faculty member, including but not limited to all works of authorship and art";

And whereas under the proposed policy, the Originator (i.e. faculty member) can establish ownership **only** if all three circumstances exist at once: the faculty member created the original work "outside the course and scope of employment" *and*, "on his own time", *and* "using only incidental University resources";

And whereas the proposed policy cedes **to ASU sole legal title to and all ownership in the copyright inherent** in all **original** faculty-created online courses, classroom teaching materials, faculty-produced textbooks, scholarly writings, musical compositions, art works, and literary works related to the faculty member's field except that which is created "outside the course and scope of employment," and "on his own time," and "using only incidental University resources";

And whereas all faculty-created online courses, classroom teaching materials, faculty-produced

textbooks, scholarly writings, musical compositions, art works, and literary works related to the faculty member's field **typically** occur within the course and scope of employment regardless of whether university resources are used;

And whereas sole legal title **and sole ownership in ASU** allows the university to exploit commercially such IP without the permission of the Originator;

And whereas sole legal title **and sole ownership in ASU** allows the university to determine **at any time unilaterally and without negotiation** if and how much of the revenues generated from commercial exploitation of the faculty member's work will be shared with the Originator at **ASU's** sole discretion;

And whereas sole legal title **and sole ownership in ASU** allows the university to **control and impede** the expression of the faculty member's expertise at **ASU's** own discretion;

And whereas controversies such as those arising in cases such as *Stanford v. Roche* can be addressed without the ~~broadbased~~ **sweeping usurpation and assumption of the rights of university faculty to works of authorship and other intellectual property that a faculty member originates or invents** as proposed in the ASU policy;

Be it resolved that the ASU faculty support the **existing IP policy that affords full ownership in the works, marks, or inventions of the faculty member who originated, created, or invented such intellectual property** as long as **the faculty member did not** consume extraordinary university resources, and the ASU faculty vigorously **rejects and** opposes the proposed changes to its **existing IP** policy.

Appendix B

Susan Allen, Distinguished Professor and former Provost, Response

In my very quick read of the IP policy, I particularly noted the extension of time for the University to review an invention disclosure from 90 days, with the possibility of two 30 day extensions with the permission of the inventor, to two years. At two year delay in filing for a provisional patent would preclude publication during that time and would significantly increase the possibility that someone else would "scoop" the patentable idea. It would also significantly impact the ability to apply for grant and contract funds as preliminary publications are key for many funding agencies. While it is true that proposals can be marked as containing proprietary material, the chances of that information remaining confidential for two years is very small. The proposed delay is unreasonable for the reasons stated above. You mentioned several difficulties with the copyright policy that I will go back and study, particularly as regards the current requirement for assigning copyright to the publisher when writing a paper, book or book chapter vs. the University owning the copyright. The results of the changes in this area are unclear.

I also believe that the other policies affecting active researchers have not been given wide distribution and need to be examined and commented on by every person who would be impacted by them. I would suggest that the vote be postponed.

Susan

Appendix C

Attorney Don Mixon Response

I take issue with the suggestion that employees "lost patent rights ... for themselves." This decision was seen as a victory for inventors. In the Stanford instance, the inventor had an agreement with a private company where he completed work on his invention. The company owns the patent, he is listed as the inventor, and he got paid for his work. This is a case of Stanford saying, "But it should have been ours." The court said that the assignment, to be effective, must say "I assign" instead of "I promise to assign." The devil in a policy such as that proposed by ASU is overly broad language.

Donn

Appendix D

Lucinda McDaniel Response

I attach an article on the United States Supreme Court decision which necessitated the change in language to our intellectual property policy. An immediate assignment is required in order to secure intellectual property rights. Stanford employees did not make an immediate assignment and lost patent rights, both for themselves and the university. The new language correctly reflects that at its inception, intellectual property created in the course and scope of employment vests with ASU. An exception continues to exist for inventions or works created outside the course and scope of employment, even when employees make incidental use of state resources when creating the IP. The changes in the policy are made in order to meet the requirements set by the Supreme Court for IP ownership.

Katherine Prescott, Associate University Counsel, is well versed on this issue as well. Let me know if either Katie or I can be of assistance.

Stanford Report, June 7, 2011

Stanford 'disappointed' in Supreme Court ruling in Roche case

BY LISA LAPIN

The U.S. Supreme Court on Monday issued a ruling in favor of a drug company and against Stanford, concluding a case that has a far-reaching impact on the ownership rights to inventions that result from research funded by the federal government.

The court ruled that Roche is a co-owner with Stanford of patents for testing kits to detect the HIV virus because a Stanford researcher signed a visitor confidentiality agreement that contained an assignment of patent rights when he was doing work at a company later acquired by Roche and because it was a co-owner, Stanford did not have standing to sue Roche for patent infringement.

The court disagreed with Stanford's argument that assigning patent rights to Roche violates the Bayh-Dole Act, which vests the patent rights from federally funded research in universities and not individual researchers.

"We are disappointed with the ruling by the Supreme Court in this case, but will move forward to protect the interests of all parties in inventions created with federal funding, including the interests of the federal government and companies that license technology from Stanford," said Stanford General Counsel Debra Zumwalt.

Zumwalt said in a statement that Stanford University "respectfully disagrees" with the 7-2 decision of the Supreme Court in *Stanford University v. Roche Molecular Systems et al.*, interpreting the Bayh-Dole Act, which governs title to patents that are invented with federal funding.

Justice Stephen Breyer wrote in the dissenting opinion that the majority's ruling would allow an individual inventor at a university, non-profit or small business to "assign an invention (produced by public funds) to a third party, thereby taking that invention out from under the Bayh-Dole Act's restrictions, conditions and allocation rules," and that is "inconsistent with the Act's basic purpose."

Both Stanford and the federal government argued that this result was not the intent of Bayh-Dole (as did Senator Bayh in his amicus brief) and has many potential negative consequences for the federal government, which retains certain rights to inventions created with federal funding, for universities and others who create inventions with that funding, and for companies that license the inventions.

For example, Zumwalt said the federal government could lose its many rights in the inventions, could lose the assurance that the royalties that would have gone to the university are used to further scientific research and education, and could lose the requirement that exclusive licensees will manufacture any products substantially in the United States.

In a brief filed on behalf of Stanford, the Association of American Universities (AAU), joined by seven other research associations and five dozen universities, wrote that the Bayh-Dole Act has been

"incredibly successful in stimulating innovation by giving universities certainty regarding their ownership of federally funded inventions."

"Universities helped bring to market 4,338 new products between 1998 and 2006, or more than one product a day," the AAU wrote, citing Google (Stanford), Internet Explorer (University of Illinois) and the fibromyalgia drug Lyrica (Northwestern University) as examples.

The AAU also wrote that the law had made an "extraordinary contribution" to the national economy by helping to form more than 6,500 new companies from inventions created under the act, an estimated contribution of \$450 billion to the U.S. gross industrial output and the creation of 280,000 new high technology jobs between 1999 and 2007.

After years of unsuccessfully negotiating with Roche in an attempt to convince the company to acquire a license to Stanford's patents, Stanford sued Roche in 2005, alleging that its kits for detecting human immunodeficiency virus (HIV) infringed university patents.

A federal district court in San Francisco ruled that Stanford owned the patents under the University and Small Business Patent Procedures Act, better known as the Bayh-Dole Act.

A federal appeals court in Washington, D.C., disagreed, saying Stanford shared ownership of the patents with Roche under its interpretation of the Bayh-Dole Act.

The Obama administration has urged the Supreme Court to reverse the 2009 appeals court decision.

In a brief filed on behalf of Stanford, acting U.S. Solicitor General Neal Katyal said the decision creates "serious uncertainty" about title to patents, "frustrates the government's ability to protect the taxpayers' multibillion-dollar investments in research and development" and undermines efforts by Congress "to ensure that federally funded inventions are used to advance the public interest."

The case concerned ownership of three patents for monitoring the effectiveness of HIV treatments. Stanford scientists, including Mark Holodniy, a professor of medicine specializing in AIDS research, developed the patented process with federal funding. While a research fellow at Stanford, Holodniy visited Cetus Corp. (later acquired by Roche) to learn a research technique – known as polymerase chain reaction, or PCR – for producing millions of copies of a specific DNA sequence. (Cetus later sold that line of business to Roche.)

The patent dispute arose from the wording of two agreements Holodniy signed assigning invention rights: a 1988 copyright and patent agreement at Stanford (the SU-18) and a 1989 visitor's confidentiality agreement at Cetus.

The federal appeals court said the phrase "do hereby assign" future patent rights in the Cetus document took effect immediately, trumping the previous "I agree to assign" language in the Stanford agreement, which the court described as a promise of future action.

Stanford had argued that Holodniy had no patent rights to assign to a third party in the first place, because the university retained title to the inventions by fulfilling the requirements of the Bayh-Dole Act.

In a brief filed on behalf of Stanford, former U.S. Sen. Birch Bayh, co-sponsor of the legislation, said inventors may obtain patent rights only if the university waives its rights and the governmental funding agency gives its express approval.

The Bayh-Dole Act "automatically vests ownership rights in the inventions arising from federally funded research in the universities, small businesses and nonprofit organizations responsible for their creation," Bayh wrote.

"Congress did not provide for individual inventors to have transferable ownership interests in patentable inventions created with federal funding. Rather, Congress rewarded individual inventors by requiring their employers to provide them with a share of royalties to be negotiated with the universities or nonprofit organizations."

At Stanford, after administrative expenses paid to the Office of Technology Licensing are deducted, the royalties or income streams from such inventions are shared by the inventor or inventors (one-third), the inventor's academic department (one-third) and the inventor's school (one-third). The department and school royalties must be used to support scientific research and education.

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Appendix E

*The United States Supreme Court's
Stanford Decision*

The United States Supreme Court's *Stanford* decision.

Upshot: The United States Supreme Court's decision in *Bd. of Trustees of the Leland Stanford Univ. v. Roche Molecular Sys., Inc.*, decided in June, 2011, provides no valid ground to explain or justify the university's proposed sea change in its intellectual property policy as applied to faculty.

Summary of what happened. A California research firm called Cetus developed a technique called polymerase chain reaction, or PCR, that allows billions of copies of DNA sequences to be made from a small initial blood sample. Cetus used PCR to try to find ways to quantify the level of the HIV virus in people. HIV is the virus that causes AIDS.

In 1988, Dr. Mark Holodniy ("Dr. H") joined Stanford University as a research fellow in the university's department of infectious diseases. At that time, he signed a contract with Stanford that said "I agree to assign . . . to Stanford" his "right, title, and interest" in inventions resulting from his employment there.

At Stanford, Dr. H worked on developing a method for quantifying HIV levels in patient blood samples, but he needed to be skilled at Cetus' PCR technique to do that. So Dr. H's supervisor at Stanford arranged for Dr. H to conduct research at Cetus so that he could learn the PCR technique.

As a condition to gaining access to Cetus for research, Dr. H signed a contract with Cetus. In that contract, Dr. H said, "I will assign and do hereby assign to Cetus my right, title, and interest in the ideas, inventions and improvements" made "as a consequence of my access" to Cetus.

For the next nine months, Dr. H conducted research at Cetus. Working with Cetus employees, Dr. H devised a PCR-based procedure for calculating the amount of HIV in a patient's blood. That technique allowed doctors to determine whether a patient was benefiting from HIV therapy.

Dr. H then returned to Stanford where he and other Stanford researchers tested his

PCR-based technique for calculating the amount of HIV in a patient's blood. Over the next few years, Stanford obtained written assignments of rights from Dr. H and the other Stanford researchers who tested and refined the PCR-based technique. Those written assignments had language that "hereby assigned" all rights in the technique to Stanford. Stanford then applied for and obtained three patents in the technique.

In 1991, Roche Molecular Systems acquired Cetus' PCR technique, including all rights Cetus had obtained through its contract with Dr. H. Roche then created and sold to hospitals and AIDS clinics HIV test kits using the PCR technique that also is used in the technique that Stanford patented.

In 2005, Stanford sued Roche, claiming that the HIV test kits infringed Stanford's patents. Roche defended by saying that it was a co-owner of Stanford's patented techniques by virtue of the contract between Cetus and Dr. H, which "hereby assigned" Dr. H's rights to Cetus. As a co-owner of a patented technique, Roche cannot be liable for patent infringement.

Stanford argued that a federal law – the University and Small Business Patent Procedures Act of 1980, called the Bayh-Dole Act – automatically vests title to federally-funded inventions in the funded federal contractor. Here, Dr. H's work at Stanford that led to Stanford's patents had been funded by the National Institute of Health, a federal agency. Therefore, Stanford argued, Stanford automatically owned all rights in the patented technique.

The federal trial court ruled for Stanford, but the federal court of appeals reversed and ruled for Roche. The federal court of appeals ruled that Dr. H's first contract with Stanford – "I agree to assign" – was merely a promise to assign rights in the future at Stanford's request, but did not at the time actually assign any rights to Stanford. The court of appeals decided that Dr. H's contract with Cetus – "I hereby assign" – *did* assign rights to Cetus. The court of appeals then ruled that the federal statute – the Bayh-Dole Act – did not automatically vest any rights in Stanford that it had not independently acquired.

Stanford appealed to the United States Supreme Court. In a 7-2 decision, the Court declined to decide whether the court of appeals had accurately interpreted Dr. H's contracts

with Stanford and with Cetus. So the Court said nothing about the validity of whether the language "I agree to assign" is merely a promise to assign rights in the future at Stanford's request. On that subject, the Court said: "Because the Federal Circuit's [the court of appeals] interpretation of the relevant assignment agreements is not an issue on which we have granted certiorari [agreed to hear the case], we have no occasion to pass on the validity of the lower court's construction of those agreements." 131 S.Ct. 2188, 2194 n.2.

The Court ruled against Stanford and in favor of Roche on the question of whether the federal Bayh-Dole Act automatically vested any rights in Stanford that it had not independently acquired. The Court decided that the statute did not automatically vest any rights in a federal contractor receiving federal funds, but merely assumed that the federal contractor had validly acquired the rights to the invention that federal funds helped to finance. So the statute didn't divest Cetus of any rights that it had under its contract with Dr. H, and didn't divest Roche of any rights that it had acquired from Cetus under that contract.

In dissent, Justice Stephen Breyer and Justice Ruth Ginsburg argued that there was only a slight linguistic difference between "I agree to assign" in Dr. H's first contract with Stanford and "I hereby assign" in Dr. H's later contract with Cetus. They reasoned that Stanford's first contract with Dr. H was enough to vest in Stanford sufficient rights to Dr. H's future inventions, and therefore trumped his contract with Cetus.

So, the Supreme Court's majority opinion has no bearing on the legal effect of language between a university and its researchers. And, ironically, the dissent endorsed the university's interpretation of "I agree to assign" as being an actual assignment of rights, not a mere promise to make an assignment later. So the Supreme Court's ruling does not afford any reason for changing Arkansas State University's existing intellectual property policy.

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Appendix F

Proposed ASU System Intellectual Property Policy

ASU System Policy

Effective Date: 02/25/05

Subject: Intellectual Property

I. Introduction

The creativity of human beings is manifested in fields as diverse as science and technology, literature and the humanities, and the fine and applied arts. Creators of intellectual property utilize legal vehicles that make possible the ownership and control of some of the fruits of this creativity, providing an incentive to be creative and to make such fruits public. As a result of the increased cooperation in research and development between universities and businesses, the volume of intellectual property being created in universities has increased significantly. This increase has made apparent the complexity of the issues related to the ownership, control and use of such property. This policy is designed to achieve the following objectives:

- a. Encourage and protect the creative endeavors of all members (faculty, staff and students) of the Arkansas State University [System](#) community;
- b. Determine and safeguard the rights and interests of all relevant parties (Originator, the University, and outside sponsors of research) in the creative products of those associated with the University;
- c. Facilitate the dissemination and use of the findings of academic research so as to benefit the public at the earliest [possible practicable](#) time;
- d. Provide guidelines by which the significance of the findings of the academic research may be determined and, when appropriate, their public use facilitated;
- e. Recognize the equity of any outside sponsor of research within the University; assist in the negotiation and preparation of contracts with outside sponsors, collaborators and licensees; and support the fulfillment of the terms of those contracts;
- f. Provide for the equitable distribution of benefits resulting from the intellectual property among the various parties (~~Originator, the University and outside sponsors of research~~) with interests in it.

II. Persons Affected

The Intellectual Property Policy applies to all persons employed by the Arkansas State University System or any campus in that System and the component institutions of the System, to anyone using System facilities unless otherwise negotiated, to all students of any campus in the Arkansas State University System including but not limited to undergraduate students and candidates for masters and doctoral degrees, and to postdoctoral fellows. It shall also apply to all persons not employed by ASU but whose scholarly production is financed, in whole or in part, from funds under the control of the University.

III. Definitions

The following definitions are employed in interpreting and implementing this policy:

- a. "Incidental Use" means occasional utilization of University property outside the course and scope of employment for limited amounts of time.
- b. "Intellectual Property" refers to any material capable of legal protection (copyright, license and patent) arising out of Scholarly Production and includes but is not limited to any discovery, invention, process, know-how, design, model, work of authorship, works of art, computer software, mask work, molecular, cellular or organismal biological discoveries or applications, strain, variety or culture of an organism, or portion, modification, translation, or extension of these items. It includes marks used in connection with these. The term "mark" refers to trademarks, service marks, collective marks, and certification marks.
- bc. "University" means the Arkansas State University System, any campus within the Arkansas State University System, and any entity or activity under the authority of the Board of Trustees of the Arkansas State University System.
- ed. "Scholarly Production" means any research, creative activity, or development activity, which is directly related to the duties and responsibilities for which a person has been compensated by or through the University, or for which facilities owned, operated, or controlled by the University are used.
- de. "Sponsored Research" means Scholarly Production for which the University has received external support, from some third party.
- ef. "Originator" means a person who in the course of Scholarly or Creative Production creates or discovers material that is or becomes Intellectual Property.

- fg. "Copyright" shall be understood to mean that bundle of rights that protect original works of authorship fixed in any tangible medium of expression, now known, or later developed; from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device.
- gh. "Works of authorship" (including computer programs) include, but are not limited to, the following: literary works; musical works, including any accompanying words; dramatic works, including any accompanying music, pantomimes and choreographic works; pictorial, graphic, and sculptural works (photographs, prints, diagrams, models, and technical drawings); motion pictures and other audiovisual works, sound recordings, and architectural works.
- hi. "Tangible media" include, but are not limited to, books, periodicals, manuscripts, phonographic records, films, slides, tapes, and disks.
- ij. "Patent" shall be understood to mean that bundle of rights that protect inventions or discoveries which constitute any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof; computer software; new and ornamental designs for any useful article; new human-made products; and new animal, plant or other life forms. This includes new plant varieties created by sexual reproduction and covered by Plant Variety Protection Certificates for New Cultivars.
- jk. "Royalty-free license" shall be understood to mean an exclusive or non-exclusive, nontransferable license for unrestricted use of the ~~invention~~ Intellectual Property, the license being without royalty payments on any subsequent proceeds.

IV. Statement of Policy

~~It shall be~~ The policy of the University is that the University shall be and is hereby granted, by virtue of accepting employment with or financial assistance from the University, full legal title to acquire and retain legal title to all Intellectual Property created by any person or persons to whom this policy is applicable. This policy is established in furtherance of the commitment of the University to the widest possible distribution of the benefits of Scholarly or Creative Production, the protection of Intellectual Property resulting from such creation or discovery, and the development of Intellectual Property for the public good. The University's ownership rights in the Intellectual Property shall vest immediately upon the creation or discovery of the Intellectual Property.

V. Determination of Ownership

These are the guidelines and circumstances to be considered by the University in determining ownership:

- a. The University owns all the rights and holds sole legal title to the Intellectual Property at the moment of its creation:
 1. If intellectual property is created by an employee within the course and scope of employment; or
 2. If intellectual property is created during performance of professional duties, with System University facilities or University or state financial support; or
 3. If intellectual property is commissioned by the System University or a component thereof, or
 4. If the Intellectual Property fits within one of the categories of works considered works for hire under copyright law; or
 45. If intellectual property results from research supported by Federal funds or third party sponsorship, such funds awarded to the University or system, subject to the conditions of the contract or agreement.
 56. If intellectual property is computer software, including computer programs, computer databases and associated documentation (herein "computer software"), whether copyrightable or patentable, produced by any person to whom this policy is applicable, that intellectual property shall belong to the University. Revenues generated by the commercialization of computer software shall be shared with the originators/inventors according to the **Distribution of Earnings from Intellectual Property** of this policy document. Computer software produced on an Originator's own time or through permissible consulting activities and without the use of facilities owned, operated, or controlled by the University shall belong to the Originator and all rights thereto may be retained or assigned by the Originator.

- b. The Originator owns the Intellectual Property:
 1. If the Intellectual Property is created outside the course and scope of employment, on Originator's own time, and using If it is unrelated to the Originator's job responsibilities and the Originator made no more than incidental use of SystemUniversity resources; or
 2. If it has been released by the University to the Originator under this Intellectual Property Policy; ~~or~~
 3. ~~If the intellectual property is a Work of Authorship in the author's field of expertise, even though such a work may have been created within the scope of employment, so long as (a) no extraordinary system resources were used or (b) it was not created by someone who was specifically hired or required to create it, as stated in a contract with clear ownership definitions; or~~
 4. ~~If the Intellectual Property is copyrighted and was created, made, or originated by a university employee or student and is related to that~~

employee's or student's professional field so long as (a) no extraordinary system resources were used and (b) it was not created by someone who was specifically hired or required to create it as stated in a contract with clear ownership definitions.

VI. Disclosure Obligations of Originator(s)

All persons to whom this policy is applicable shall furnish to the office designated by the chancellor of that campus to manage research and technology transfer ~~Office of Research and Technology Transfer~~ a full and complete disclosure of any Intellectual Property promptly after it is created or conceived or first reduced to practice. The disclosure will identify all Originators of the specific Intellectual Property, their relative contributions to the work (expressed in a percentage), and use of University resources in developing the work including department(s), interdisciplinary program(s), research institute(s), and/or sponsor(s) (expressed in a percentage). Such persons shall cooperate in a timely and professional manner with the University or with patent or other counsel in protecting Intellectual Property and perform all acts necessary for the University to fulfill its obligations and protect the University's rights in and to the Intellectual Property. The University may require technical advice and assistance from Originators in the development and licensing of their Intellectual Property. The University's disclosure form is provided at www.ASUresearch.edu.

VII. Assignment of Copyrighted Intellectual Property Rights and Predetermined Disposition of Certain Copyrights

The University does, at the moment of its creation, own ~~shall own~~ and have continuing interest in Copyrighted Intellectual Property in the following two circumstances:

1. The author has voluntarily transferred the copyright by accepting employment with the University or by entering into a contract for a work for hire with ~~, in whole or in part to the institution. Such transfer shall be in the form of a written document, signed by the author. Certain "works for hire" may require an agreement in writing be negotiated between the faculty, staff, or student,~~ the University, ~~and any third party~~ prior to commencement of the work.
2. Arkansas State University has contributed to a "joint work" or commissioned a work under the Copyright Act. The institution can exercise joint ownership under this clause when it has contributed specialized services and facilities to the production of the work that goes beyond what is traditionally provided to faculty members. Such arrangement is to be agreed to in writing, in advance, and in full conformance with other provisions of this agreement.

Arkansas State University will not assert an its ownership interest in:

- a. faculty-produced, copyrightable online courses other than to reserve a nontransferable, royalty-free use license so long as the copyrightable Intellectual Property meets the definition of Originator owned Intellectual Property in Section V; or
- b. copyrightable material created for ordinary teaching use in the classroom or for electronic assignments and tests so long as the copyrightable Intellectual

Property meets the definition of Originator owned Intellectual Property in Section V; or

- c. copyrightable faculty, staff, or student produced textbooks, scholarly writing, art works, musical compositions and literary works that are related to the faculty, staff, or students' professional field so long as the copyrightable Intellectual Property meets the definition of Originator owned Intellectual Property in Section V.

The University shall be permitted to use any of the above enumerated materials for internal instructional, educational, and administrative purposes, including satisfying requests of accreditation agencies for faculty-authored syllabi and course descriptions.

In an agreement transferring copyright for such works to a publisher, faculty authors ~~are urged to~~ must provide rights for the University to use such works for internal instructional, educational, and administrative purposes.

For any disputes concerning copyright ownership (such as equitable division among joint Originators) not specifically addressed in this policy, the University System Intellectual Property Committee (USIPC) will review all copyright disclosures and make a recommendation to the administration as to who owns the copyright. The Originator(s) will be notified of the outcome within 90 days of receiving the disclosure.

~~Funds received by the faculty member from the sale of copyrighted intellectual property assigned to the faculty author or inventor shall be allocated and expended as determined solely by the faculty author or inventor.~~

VIII. Assignment of Patented Intellectual Property Rights

The ~~Associate Vice Chancellor for Research and Technology Transfer~~ chancellor's designee will review all invention disclosures and recommend to the administration one of three possible actions:

1. Retain all ownership rights and develop the Intellectual Property for commercialization at the University's discretion. Assign all rights to the Originator(s); or
2. Assign all rights to the Originator(s) but retain a nontransferable royalty-free license; or
3. Assign all rights to the Originator(s) Retain all ownership rights and develop the Intellectual Property for commercialization at the University's discretion.

~~If the University does not furnish notice of intent to retain ownership rights of the Intellectual Property within 90 days after disclosure to the University, the rights to the Intellectual Property vest in the Originator(s) unless the Originator allows for as much as two 30 day extensions. Furthermore, if the University chooses to patent an Intellectual Property but takes no steps (within two years of notice of the creation or discovery of intent to retain ownership rights of the Intellectual Property) to develop the Intellectual~~

Property commercially, the Originator(s) may request that the University transfer or waive its rights subject to the retention by the University of a non-transferable, royalty-free license.

IX. Costs of Legal Protection of Intellectual Property

The holder of the Intellectual Property rights bears the responsibility and financial burden of developing and processing the Intellectual Property, and all legal fees and other costs related to obtaining and maintaining patents, copyrights, or other legal protection, unless otherwise negotiated.

X. Distribution of Earnings from Intellectual Property

In consideration of the disclosure and assignment of Intellectual Property to the University, the net royalties or other net income from the commercialization of an Intellectual Property will be distributed as follows (*Note*- Net royalties are for this purpose defined as gross royalties received by the University minus the costs for patenting, copyrighting, licensing or obtaining legal protection of Intellectual Property. This does not include salaries of the Originator(s) or the [Office of Research and Technology Transfer](#) staff.)

- a. For the first \$10,000 of net royalties or other net income the Originator(s), Originator's heirs, successors, or assigns shall receive eighty-five percent (85%) of those net royalties or other net income with the remaining fifteen percent (15%) ~~belonging being dedicated to the~~ [Arkansas State University campus at which the Originator is employed or enrolled, or which contracts for or finances the work. research initiatives as established in the agreement regarding the intellectual property.](#)
- b. Once the \$10,000 plateau has been reached, net royalties or other net income up to two million dollars will be divided fifty percent (50%) to the Originator(s), Originator's heirs, successors, or assigns with fifty percent (50%) ~~belonging being dedicated to the~~ [Arkansas State University campus at which the Originator is employed or enrolled, or which contracts for or finances the work. research initiatives as established in the agreement regarding the intellectual property.](#)
- c. Once Intellectual Property generates net royalties or other net income that exceeds two million dollars, net royalties or other net income will be divided forty percent (40%) to the Originator(s), Originator's heirs, successors, or assigns and sixty percent (60%) to [the Arkansas State University campus at which the Originator is employed or enrolled or which contracts for or finances the work. research initiatives as established in the agreement regarding the intellectual property.](#)

Net royalties will be distributed normally on an annual basis, payments being made within sixty (60) days after the end of a calendar year in which royalties from the Intellectual Property have accrued.

XI. Sponsored Research

Rights to Intellectual Property produced as a result of Sponsored Research, including research sponsored by the Arkansas State University Research Foundation and Development Institute (ASURIFRDI), are determined by the contractual or grant agreements negotiated between the University and the sponsor. Allocation of such rights may take one of several forms; the following are the most common:

~~The University may retain all rights or assign them to the Originator(s) or sponsors; or~~

~~The University may grant a nonexclusive license to the sponsor; or~~

~~The University may grant an exclusive royalty bearing license to an entity in exchange for an equity stake in the stocks or proceeds of the entity; or~~

~~The University may grant the sponsor a right of first refusal to an exclusive royalty bearing license for a limited term or for the life of the Intellectual Property; or~~

~~The University may grant the sponsor all rights to any Intellectual Property which result from the particular Sponsored Research where it is determined that the holding of title to the Intellectual Property will confer no substantial benefit to the University;~~

~~The University may grant the sponsor all rights to any Intellectual Property when the research project is considered by the University to be of a public benefit compatible with the aims and purposes of the University or the Sponsor.~~

XII. U.S. Government Funded Inventions (Intellectual Property)

Arkansas State University, ~~as are other research universities,~~ is governed by the 1980 Bayh-Dole law (P.L. 96-517 and 98-620 as amended), which sets out the disposition of inventions made with Federal assistance. The law provides that non-profit organizations and small businesses may elect to retain title to the inventions conceived or first actually reduced to practice in the performance of work under a funding agreement. The University must disclose each subject invention in a timely manner and comply with other regulatory actions. In addition it must grant the U.S. government a royalty free license for governmental purposes, give preference to U.S. manufacturers, give preference to small businesses and share royalties with inventors. The University must periodically report any licensing activity to the Government.

XIII. Publication Rights

In all Sponsored Research, the right shall be reserved for Originators and the University to publish and disseminate the knowledge gained and the results obtained. The University may grant a sponsor a limited review period of 60 (sixty) days, renewable with permission of the Originator/s, prior to publication in order to protect proprietary information and any technology, which may be the subject of a patent application.

XIV. Policy Administration

The President shall appoint a University System Intellectual Property Committee (USIPC) consisting of five faculty members from each campus within the Arkansas State University System the Jonesboro campus and one representative from each other campus whose employees are conducting significant scholarly work. An

~~employee from the Arkansas State University System Office The Vice Chancellor for Research and Academic Affairs, Vice President for Finance and Administration, and the Associate Vice Chancellor for Research and Technology Transfer shall be an ex officio members of the Committee. The Office of University Counsel University attorney shall serve as legal advisor to the Committee. A chairperson shall be elected from among the membership of the Committee. The Committee shall meet at least annually and also when needed at the request of the chairperson or the President. The Committee shall be responsible for:~~

- (1) Reviewing the operation of the University Intellectual Property Policy and proposing policy changes;
- (2) Assisting in reviewing Intellectual Property disclosures as requested by ~~any campus office or individual charged with research and technology transfer; the Office of Research and Technology Transfer;~~
- (3) Reviewing disputes concerning copyright ownership (such as equitable division among joint originators) not specifically addressed in this policy and make a recommendation as to who owns the copyright to the administration;
- (4) Reviewing proposed exceptions to the established policy;
- (5) Seeking initial resolution of campus disputes relating to rights in Intellectual Property and resolving issues referred by ~~any individual charged with research and technology transfer. the Associate Vice Chancellor of Research and Technology Transfer;~~
- (6) Advising the President on Intellectual Property policy matters as requested.

~~The Associate Vice Chancellor for Research and Technology Transfer Chancellor of Arkansas State University-Jonesboro shall designate an employee who shall have the general responsibility of:~~

- (1) Reviewing Intellectual Property disclosures submitted to the University for patent or trademark application or other protection and making recommendations to the University System Intellectual Property Committee;
- (2) Evaluating Intellectual Property for patentability, as well as potential commercial value;
- (3) Appointing ad hoc technical subcommittees to assist in evaluating Intellectual Property;
- (4) Seeking University approval of outside technical assistance in evaluating Intellectual Property;
- (5) Recommending Intellectual Property rights or equities to be held by the Arkansas State University Research ~~Foundation and Development Institute;~~
- (6) Providing scientific and technical assistance to approved patent management organizations to achieve the full benefits of University Intellectual Properties that have commercial potential;
- (7) Seeking initial resolution of campus disputes relating to rights in Intellectual Property;

- (8) Reviewing works of authorship submitted for copyright consideration; and
- (9) Transferring technology including but not limited to: licensing patents and developing plans for commercialization of University owned Intellectual Property.

Within ninety (90) days of the receipt of an Intellectual Property disclosure, the ~~Office of Research and Technology Transfer~~ above designee will review and evaluate the Intellectual Property disclosure and submit to the ~~Vice Chancellor for Research and Academic Affairs~~ chancellor of the campus submitting the disclosure ~~its his or her~~ recommendation regarding the disposition of the disclosure. The ~~Office of Research and Technology Transfer~~ designee's recommendation along with the ~~Vice Chancellor's for Research and Academic Affairs~~ recommendation shall be forwarded by the Chancellor within approximately ten (10) working days of receipt to the President of Arkansas State University System. In most instances the recommendation will consist of one of the following:

1. The University retains property rights and will proceed toward commercial development; or
2. The University assigns all rights to the Originator(s) or sponsor(s) while reserving a royalty-free use license; or
3. The University assigns all rights to the Originator(s) or sponsor(s).

(Revised _____ 2012 Adopted by the Arkansas State University Board of Trustees February 25, 2005, Resolution 05-01, Supersedes Patents Policy)