BOARD OF TRUSTEES
STATEMENT OF POLICY ON PATENTS, COPYRIGHTS, AND OTHER INTELLECTUAL PROPERTY

ACKNOWLEDGMENTS

Before the Statement of Policy on Patents, Copyrights, & Other Intellectual Property was prepared, many similar documents from other universities were reviewed, including those from Purdue University, MIT, Harvard University, University of Florida, University of Virginia, Texas A&M University, University of Texas, Stanford University, and University of Wisconsin. Several concepts and specific definitions taken from such documents are incorporated in this policy statement.

This Statement attempts to blend together the policy issues which are unique to The University of Tennessee with those general principles embedded in policies of many other universities. This Statement of Policy is intended to be consistent with policies found in major educational institutions throughout the United States, but tailored to the specific needs and goals of The University of Tennessee.

FORWARD

The University of Tennessee has functioned reasonably well for many years without a comprehensive policy on Patents, Copyrights, & Other Intellectual Property. Recent developments have pointed to the need to develop a more specific policy at this time. These are: (1) changes in federal law that allow universities to retain ownership of inventions and copyrightable materials developed in the course of federally-sponsored research and requiring the establishment of procedures for disclosing and developing such inventions and materials; (2) a heightened interest by private companies in sponsoring research at universities, and the need for The University of Tennessee to establish a negotiating position on the ownership of the outcomes of such research; (3) a heightened interest on the part of University faculty and staff in commercial development of their credit and non-credit instructional creations and the outcomes of their research; (4) the obligation of the University to support the economic development of Tennessee by encouraging such commercialization of research outcomes, while maintaining the freedom and integrity of the University's instructional and research programs.

In this policy statement the University attempts to recognize those understandings, albeit incomplete, that have applied to these matters in the past. Among these are the right of faculty to choose freely the subjects of their research; the policy of The University of
Tennessee Research Foundation (formerly The University of Tennessee Research Corporation) of sharing income from inventions and copyrights with the inventor or creator; and the long-standing practice of allowing faculty to own the copyrights to their textbooks, other teaching materials (including mediated creations, as defined below), scholarly publications, and artistic works unless such creations have been explicitly commissioned by the University or an external sponsor, are a planned result of a credit or non-credit course in which enrolled students are joint creators, or fall under the substantial use provisions in sections II, C, D, & E. By explicitly identifying the rights of the University, its faculty and staff, and external research sponsors, this policy, it is hoped, will enhance the research mission of the University; provide rewards to faculty and staff; promote the economic welfare of the state; and protect the traditions of academic freedom, the open dissemination of research findings, and institutional independence.

**GENERAL POLICY ON PATENTS, COPYRIGHTS, AND OTHER INTELLECTUAL PROPERTY**

The goal of The University of Tennessee Policy on Patents, Copyrights, & other Intellectual Property is to promote the progress of science and the arts and the development of the University and faculty through the provisions of an established policy. Patents, copyrights, and licensing of intellectual property provide a means for developing and using inventions and creations. This Statement of Policy has been established to ensure that those creative developments in which the University has an equity interest will be used in a manner most likely to benefit the public and at the same time provide compensation to those faculty and staff who invent and create.

To accomplish the above goal, the University holds that it should seek to:

1. Assist faculty and staff in the commercialization of their products.

2. Make inventions and creations resulting from the efforts of University personnel available to industry and the public on an effective and nondiscriminatory basis; and

3. Obtain revenue for faculty and staff who invent and create and for the University for use in furthering its educational and research goals.
I. Definitions

As used in this Statement of Policy, the following terms have the meaning indicated:

   A. **Inventions** - All inventions, discoveries, computer programs, software and/or codes, methods, uses, products or combinations, whether or not patented or patentable at any time under the Federal Patent Act as now existing or hereafter amended or supplemented.

   B. **Creations** - Written creations, recorded creations, arts and crafts, and mediated creations.

      1. **Written Creations** - All literary, dramatic, and musical materials or works and all other materials or works including computer programs and software and/or codes, published or unpublished, whether or not copyrighted or copyrightable at any time under the Federal Copyright Act as now existing or hereafter amended or supplemented.

      2. **Recorded Creations** - All sound, visual, audio-visual, and television films, disks, tapes, software and/or codes, kinescopes or other recordings or transcriptions, published or unpublished, whether or not copyrighted or copyrightable at any time under the Federal Copyright Act as now existing or hereafter amended or supplemented.

      3. **Arts and Crafts** - Paintings, sculptures, weavings, prints, and other arts and crafts whether or not copyrighted or copyrightable at any time under the Federal Copyright Act as now existing or hereafter amended or supplemented.

      4. **Mediated Creations** – Technology-based academic materials developed for live or delayed communication via video, audio, CD-ROM, computer, Internet, or other electronic means now known or hereafter developed, including the software developed to support electronic instructional content for both credit and non-credit courses.

   C. **University Personnel** - Part-time and full-time (paid or unpaid) faculty, staff, and student employees of The University of Tennessee.

   D. **Inventors** - University personnel who have developed inventions.
E. **Creators** - University personnel who have developed creations.

F. **Originator** - An inventor and/or creator.

G. **Disclosure** - A reporting of an invention or creation.

II. University Rights in Inventions and Creations

A. **General** - Domestic and foreign rights to certain inventions and creations developed by University personnel in performing the duties of their employment by the University or through their substantial use of facilities or funds provided by the University shall be assigned to the University pursuant to a revenue sharing plan for inventor(s) and creator(s). Rights of University personnel in invention(s) and creation(s) are provided in a subsequent section of this Statement of Policy.

B. **University Funds and Facilities** - Funds and facilities provided by government, commercial, industrial, or other public or private organizations and administered and controlled by the University shall be considered to be funds and facilities provided by the University.

C. **Substantial Use** - The University of Tennessee recognizes and reaffirms the traditional academic freedom of its faculty to engage in scholarly activity and to publish freely without restriction. In keeping with this philosophy, the University will not construe the payment of salary from unrestricted funds, nor the provision of office or library facilities, as constituting substantial use of University facilities or funds (as this term is used in paragraphs A, D, E and F of this section) except for those situations where the funds were paid specifically to support the development of an invention(s) and/or creation(s).

D. **Inventions** - The rights of the University and its faculty and staff to ownership and disposition of inventions are defined in terms of the categories summarized below:

1. **Sponsored Work** - Rights to inventions which are subject to the terms of a sponsored research or other agreement between the University and a third party are subject to the terms of the applicable agreement, or, in the absence of such terms, the rights to the inventions shall be assigned to the University pursuant to a revenue sharing plan for inventor(s).
2. **Substantial Use of Funds or Facilities** - Rights to inventions involving the substantial use of funds or facilities administered by the University, but without any University obligations to third parties in connection with such support, are to be assigned to the University pursuant to a revenue sharing plan for the inventor(s).

3. **Without Substantial Use of Funds or Facilities** - The University does not assert any rights to inventions not involving the substantial use of funds or facilities administered by the University and not a part of the employee's University duties.

E. Copyrightable Materials: General

The rights of the University and its faculty and staff to ownership and disposition of copyrightable materials are defined in terms of the categories summarized below:

1. **Sponsored Work** - Rights to copyrightable materials (including software, but excluding theses and dissertations) which are subject to the terms of a sponsored research or other agreement between the University and a third party are subject to the terms of the applicable agreement, or, in the absence of such terms, the rights to the copyrightable materials shall be assigned to the University pursuant to a revenue sharing plan for the creator(s).

2. **Substantial Use of Funds or Facilities** - Rights to copyrightable materials (including software, but excluding theses and dissertations) involving the substantial use of funds or facilities administered by the University, but without any University obligations to third parties in connection with such support, are to be assigned to the University pursuant to a revenue sharing plan for the creator(s). The rights to textbooks and monographs; other teaching materials, including software developed to support instruction; scholarly and literary publications; and arts and crafts remain with the creator unless such works have been commissioned by the University or have been developed under a sponsored agreement as outlined in paragraph E.1 above.

3. **Without Substantial Use of Funds or Facilities** - The University does not assert any rights to copyrightable materials (including software, but excluding theses and dissertations) prepared without the substantial use of University funds or facilities.
4. **Publication of Theses and Dissertations** - A student must, as a condition of a degree award, grant royalty-free permission to the University to reproduce and publicly distribute, including by electronic and digital technologies now known or developed in the future, on a non-commercial basis, copies of the thesis or dissertation.

5. **Extension and Public Service Agencies** - The University retains all rights to copyrightable materials developed by staff of its extension and public service agencies as a part of their routine employment duties.

F. **Copyrightable Materials--Mediated Course Materials**

The rights of the University and its faculty and staff to ownership and disposition of mediated course materials are shown below.

When a University employee develops mediated course materials without substantial use of University funds, facilities, and/or other employees, ownership of the materials belongs to the creator, who retains the copyright and the rights to update, edit, or otherwise revise the mediated course materials and to place a time limit upon the use of the materials. Ordinary access to libraries, computers, networks, and course management systems does not constitute substantial use; see section E.2. above. Delivery systems and other supporting materials supplied by other University employees shall remain the property of the University where it is practical to separate them from the course content materials supplied by the creator.

The right to control distribution is a right of ownership. However, creators shall not distribute, sell, license or lease the mediated course materials to third parties, or permit the use, advertisement, or promotion of course materials with the University's name, logo, or other identifier by third parties, in a manner that might constitute a conflict of interest with the University, unless such action has been approved by the chief academic officer.

It is understood that faculty members routinely develop and enhance their courses as part of their ordinary employment at the University. However, when any University employee is given specific direction from the University as a special assignment, contractual arrangement, and/or within the scope of their employment to create or enhance specific mediated course materials, a contract signed by an authorized University official and the employee(s) shall define in writing the rights of the parties.
This contract also shall include provisions for use and revision of the materials, any financial interest that might accrue in the creation, and the parties’ rights of approval over licenses, patents, and copyrights.

III. University Contracts With Third Parties

The University has the sole right to make provisions for ownership and disposition of rights to inventions and creations resulting from University contract with third parties.

IV. Statement for Inclusion in Research Proposals and Contract/Agreements

The statement (contained in Appendix A) regarding the University's Policy on Patents, Copyrights, & other Intellectual Property shall be included in research proposals and contracts/agreements unless exceptions to this policy have been approved in writing by the Vice President for Research.

V. Disclosure Requirements for University Research Proposals and Contracts/Agreements

The chief research officer of each campus or independent reporting unit is responsible for insuring that a statement similar to that found in Appendix B is included on a form submitted with each proposal or contract/agreement. The proposal or contract/agreement submittal form should be signed by all faculty and staff members who will be participating in the project.

VI. Disclosure of Inventions and Creations

Any invention(s) and creation(s) of potential commercial value, except those excluded by the provisions of this Statement, shall be disclosed by the originator(s) in accordance with procedures established in the operating policy of this Statement. The originator(s) shall work closely with officials of the University and of any organization to whom the University assigns rights to such inventions and creations in pursuing applications for patents or registering of copyrights as well as in the pursuit of licensing.
VII. Assistance for Inventions and Creations In Which the University Claims No Rights

The University will provide assistance upon request to University personnel who have developed invention(s) or creation(s) in which the University does not otherwise claim any rights. The assistance provided will be the same as that for inventions and creations in which the University asserts rights. In order to receive such assistance, the originator(s) shall be required to assign rights to such inventions and creations to the University pursuant to a revenue sharing plan for the inventor(s) and/or creator(s).

VIII. Disposing of Inventions and Creations

The University has the sole right to license, sell, or otherwise dispose of the rights in inventions and creations which have been assigned to the University.

IX. Assignment of Developments of Potential Commercial Value

The generally policy of the University is to assign the title to invention and creations of potential commercial value to The University of Tennessee Research Foundation (UTRF) to commercialize the product on behalf of the University in accordance with the General Policy of UTRF found in Appendix C. The University of Tennessee Research Foundation is an entity separate from The University of Tennessee that was originally chartered in 1934 (under the name “The University of Tennessee Research Corporation”) to assist faculty and staff of the University of Tennessee in obtaining patents and copyrights on their inventions and creations and to make available a portion of the income from such inventions or creation for promoting and encouraging further research and scholarly work. In the absence of an assignment to UTRF, the University has the right to make assignments with third parties to pursue commercial development or may return all rights to the inventor or creator. However, assignment of an invention or creation to an organization other than UTRF requires the approval of the originator. The University will establish procedures to ensure that originators are kept informed of actions taken to commercialize their inventions and creations, and to encourage originators to advise UTRF of potential avenues for commercial development of their inventions or creations.
X. Publication

To fulfill the University's obligations as a publicly-aided educational institution, University research should serve a public rather than a private purpose and the results should be disseminated on a non-discriminatory basis. The University encourages studies whose results can be freely published.

The University recognizes that the legitimate proprietary concerns of private research sponsors and the effective commercialization of research outcomes may require limited delays in publication. Where appropriate, publications can be deferred for a negotiated period of time in order to protect patent rights. Similarly, on those occasions in which the University has accepted a sponsor's proprietary information as necessary background data for a research project, the sponsor may review proposed publications in order to identify any inadvertent disclosure of those specific data.

XI. Licensing

When the University enters into licensing agreements with third parties, it prefers that non-exclusive royalty-bearing licenses be granted to all qualified licensees. However, an exclusive license may be granted if it is determined that such a grant is required in the public interest to encourage the marketing and eventual public use of the invention or creation.

When invention(s) or creation(s) are developed in the course of sponsored research, the sponsor shall normally receive an option to acquire a limited-term, royalty-bearing, exclusive license to such inventions or creations. Exclusive licenses may also be granted where industrially sponsored research and development may result in reduction-to-practice of previously conceived inventions in which the University has acquired rights, including those resulting from federally sponsored research.

XII. Publicity

The name of the University or reference to the University shall not be used in any form of publicity by a sponsor without prior written approval from the University.
XIII. Binding Agreement

This Statement of Policy as amended from time to time shall be part of the conditions of employment of every faculty, staff and student employee of the University. All employees are subject to any changes to this Statement made subsequent to employment.

XIV. Assisting Faculty and Staff

As a part of their normal administrative duties, the department administrators will assist the faculty and staff in realizing the benefits of this policy.

XV. Waiver or Release of University's Rights

The University may elect to waive any claim of ownership under this policy. If the University asserts a claim of ownership, but elects not to seek a patent or copyright or otherwise pursue commercial development for an invention or creation to which it has been assigned rights, it will promptly release its rights to such invention or creation back to the originator.

XVI. Effective Date and Amendments

This Statement of Policy shall become effective upon adoption by the Board of Trustees of The University of Tennessee and may be amended by the Board of Trustees upon the recommendation of the President of the University normally following consultation with appropriate faculty and administrative staff members.

OPERATING POLICY ON PATENTS, COPYRIGHTS, AND OTHER INTELLECTUAL PROPERTY

I. Committee on Patents, Copyrights, and other Intellectual Property (PCIP)

A. Organization

The PCIP Committee shall consist of the Chief Administrative Research Officers and Chief Academic Officers of the Knoxville, Chattanooga, Memphis, and Martin campuses, the Institute of Agriculture, and the Space Institute; the Vice President for Research; and a representative from the Office of General Counsel. A faculty or staff member having one or more patents and/or invention disclosures or one or more copyrights and/or creation disclosures will be chosen from each of the Knoxville,
Chattanooga, Memphis, and Martin campuses, the Institute of Agriculture, and the Space Institute; additionally, there shall be at least one (1) faculty member from UTC, UTK, UTHSC, & UTM with experience as creators of mediated instruction. The Vice President for Research will appoint faculty members for a three-year term. Staggered terms may be used for the initialization of the Committee. The Vice President for Research will serve as the chairperson of the PCIP Committee. The Committee may elect such other officers as it deems necessary. One of the Committee members shall be designated as Executive Secretary of the Committee and will be responsible for keeping appropriate written records of its proceedings and actions.

**B. Determination by the PCIP Committee**

The PCIP Committee shall determine:

1. When the rights in and to inventions and creations must be assigned to the University under the provisions of this Statement of Policy pursuant to a revenue sharing plan for inventor(s) and creator(s).

2. The extent, if any, to which the invention or creation was developed by University personnel performing the duties of their employment or through their substantial use of facilities or funds provided by the University.

3. Whether in the interests of fairness to the originator(s), or for any other reason, the University should waive or release any or all of its rights in a particular invention or creation.

4. Whether more than one individual is entitled to rights in any invention or creation.

5. The manner in which the rights in inventions and creations of University personnel as a group shall be divided among the individuals constituting the group, provided, however, that if such individuals shall have reached agreement among themselves, such agreement shall be controlling.

6. The appropriate assignment of inventions or creations.
C. Sponsored Projects

In cases of inventions or creations developed in the course of sponsored projects, determinations of the Committee shall be subject to the provisions of any contracts to which the University is party.

D. Assignment of Inventions and Creations by the University

The PCIP Committee has the responsibility to make assignments of the University's rights in inventions and creations in accordance with Section VIII of the General Policy.

II. Procedure

A. Disclosure of Inventions and Creations

All rights in inventions and creations which may be assigned to the University under the provisions of this Statement of Policy shall be promptly disclosed in writing to the Committee by the University personnel. The disclosure shall be through the appropriate department head, dean, (or division director) and chief administrative research officer or through an appropriate procedure prescribed by the chief administrative officer of each campus. If more than one individual participated in the discovery or development, the disclosure shall be signed by all participants. The disclosure shall be in accordance with the guideline provided by the PCIP Committee. The participants shall furnish additional information as needed and shall assist the PCIP Committee in the execution of the necessary documents from time to time to facilitate the commercialization of inventions and creations.

University personnel who question whether rights in a specific invention(s) and/or creation(s) must be assigned to the University under this Statement of Policy shall request in writing a determination by the PCIP Committee. The request shall be made through the appropriate department head, dean or director, and the chief research officer.

B. Action by the Committee

The Committee shall promptly consider all disclosures of inventions and creations and requests for a determination of rights and shall make the determination required within a reasonable time. Normally the chief administrative research officer will present disclosures from his/her campus to the PCIP Committee. The University personnel
involved shall be entitled to appear before the Committee and present evidence with respect to the disclosure. The Committee's determination shall be made in writing and shall contain a statement of its findings and grounds for decision.

C. Review of Committee Action

Actions of the PCIP Committee may be appealed in writing through the President to the Board of Trustees.

History:

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[Appendices A, B, and C appear on the following pages.]
APPENDIX A

Policy Statement for Inclusion in
Research Proposals and Contracts/Agreements
THE UNIVERSITY OF TENNESSEE POLICY ON
PATENTS, COPYRIGHTS AND OTHER
INTELLECTUAL PROPERTY

I. Publications

The University’s research activities are an integral part of the total educational program, and much of it forms the basis for articles in professional Journals, seminar reports, presentations at professional society meetings, and student dissertations and theses.

To fulfill the University’s obligations as a publicly-aided educational institution, University research should serve a public rather than a private purpose, and the results should be disseminated on a non-discriminatory basis. The University encourages studies whose results can be freely published.

The University recognizes that the legitimate proprietary concerns of private research sponsors and the effective commercialization of research outcomes may require limited delays in publication. Where appropriate, publications can be deferred for a negotiated period of time in order to protect patent rights. Similarly, on those occasions where the University has accepted a sponsor’s proprietary information as necessary background data for a research project, the sponsor may review proposed publications in order to identify any inadvertent disclosure of those specific data.

II. Patents and Copyrights

The University’s policy with regard to inventions and creations resulting from research reflects the view that a university by its nature has an obligation to serve the public interest by ensuring that inventions and other intellectual property are developed to the point of maximum utilization and availability to the public. The University, therefore, generally assigns to the University of Tennessee Research Foundation title to inventions and creations made under its sponsored programs with the understanding that it will license them in the public interest under an active inventions/creations management program in which licensing of industrial research sponsors is an important part. The University and the inventor share in the proceeds of royalty-bearing licenses.
III. Use of Names

Research sponsors may not use the University's name in advertising or other product promotion activities without the University's prior written approval. Similarly, the University will not use the name of the sponsor in publicity releases without the sponsor's approval.
APPENDIX B

Statement for Inclusion on Proposal or Contract/Agreement Submittal Form
STATEMENT FOR INCLUSION ON PROPOSAL OR CONTRACT/AGREEMENT SUBMITTAL FORM

It is understood that all discoveries, inventions, and other intellectual property made or conceived in performance of work on this project will be the property of The University of Tennessee or in accordance with the contract terms for this project; University policies and procedures are designed to assure that interests of the inventor, the University, and the sponsor are taken into consideration; and the Principal Investigator(s) will furnish prompt and full disclosure of inventions made during performance of this project to the Office for Research Administration.

NOTE: The above statement is to be incorporated into each proposal or contract/agreement submittal form that is transmitted to the chief research officer of each campus. This statement should be signed by all faculty and staff members who will be participating in the project.
APPENDIX C

University of Tennessee Research Foundation
GENERAL POLICIES
OF
UNIVERSITY OF TENNESSEE RESEARCH FOUNDATION

The University of Tennessee Research Foundation (UTRF) is an independent nonprofit organization chartered under the laws of the State of Tennessee. Its main purpose is to promote and manage research and technology commercialization within the statewide University of Tennessee, including assistance to faculty and staff in the procurement of patents and registering of copyrights and the licensing thereof to support research at the various campuses of the University.

UTRF has adopted specific policies (82-1 and 82-2) relative to the distribution of income to inventors and creators. The following excerpts are taken from these policies:

**Policy No. 82-2:** When a potential patent or copyright is developed by a University employee (hereafter referred to as originator), it is the policy of the Foundation to offer the originator an agreement whereby if a patent or copyright is obtained in the name of the originator it will be assigned to the University of Tennessee Research Foundation, with any resulting income to be shared with the originator.

If the potential patent or copyright was developed using University time or facilities, the Foundation will share with the originator at the originator’s option, either fifteen percent of any gross income resulting, or fifty percent of any net income resulting after all costs of obtaining, defending, licensing, and administering the patent or copyright have been paid.

At the originator’s request, the Foundation will:

(a) deduct a designated portion of the originator’s share of income from a patent or copyright and pay such amount directly to the University, for purposes designated by the originator, or

(b) designate a smaller share of income to be paid to the originator than that specified in the second paragraph above.

**Policy No. 82-1:** In determining distributions for research support to a campus or major budgetary entity, it shall be the policy of the Foundation
to return to each campus and budgetary entity a large fraction of the Foundation’s available net income resulting from patents, copyrights, discoveries, and developments originating at that campus or budgetary entity. Distribution will be made to an account designated to support research at each campus or budgetary entity, with internal distribution to be determined through a mechanism established by the responsible chancellor or vice president.

A small fraction of the Foundation’s net income may be allocated to the University-wide Administration for the purpose of encouraging and developing multi-campus research initiatives. This allocation would be made to a designated University account, with further distribution to be determined through a mechanism established by the Vice President for Academic Affairs and Research.

It shall be the policy of the Foundation to maintain its operating expenses at the lowest feasible level consistent with prudent management of its resources and effective service to faculty and staff of The University of Tennessee.

For the privilege of acting as the patent, copyright and licensing agent for The University of Tennessee, UTRF provides the following services:

1. Investigate diligently the patentability, suitability for copyright registration, and commercial potential of all inventions and creations so assigned.

2. Obtain patents or register copyrights on those outcomes deemed patentable or suitable for copyright, and of potential commercial value, or, alternatively, to arrange for direct commercial development without patent protection or copyright registration where this appears to be a more attractive option.

3. Pursue an active licensing program for its inventions and creations. The normal mechanism for transfer of technology is a non-exclusive license. Where required for the effective development of inventions and creations to the point of commercial availability, however, UTRF will negotiate exclusive licenses for a limited term.

4. In the event that UTRF determines not to file a patent application or copyright registration, or otherwise pursue commercial development
of a research outcome, to modify the University of this fact normally no later than six months after assignment of the invention or creation to UTRF. Under such conditions, all rights of UTRF in such invention or creation shall be released to The University of Tennessee.

*The charter of the University of Tennessee Research Foundation states that “The purposes for which Research Foundation is formed are educational, charitable, and scientific within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (Code), in conjunction with The University of Tennessee, and its Campuses and Institutes and other University-affiliated organizations (collectively referred to herein as University), to enable promoting, supporting, and carrying out the research mission of University, as set forth in T.C.A. §49-9-1401 et seq., to enhance the competitive position of University for research and development funding, otherwise to facilitate expanded research and development activities at University, and to facilitate the commercialization of University research outcomes and the transfer of research-generated technology from University to commercial and industrial enterprises in furtherance of the economic development of the State of Tennessee (State)”