

NOTICE OF PROPOSED REGULATION AMENDMENT

Date: December 22, 2011

REGULATION TITLE:
Patents, Trademarks and Trade Secrets

REGULATION NO.:
UCF-2.029

SUMMARY OF PROPOSED REGULATION AMENDMENT: This regulation amendment is a substantial revision. The purpose of this regulation is to state University-wide policies governing the ownership, use, and commercialization of inventions, trademarks, and trade secrets; to encourage University personnel to engage in research that may result in inventions, trademarks, and trade secrets; and to outline how the University will share proceeds from such endeavors with inventors.

AUTHORITY: BOG Regulation 1.001

NAME OF PERSON WHO INITIATED PROPOSED REGULATION AMENDMENT:
Dr. Tony Waldrop, Provost and Executive Vice President

COMMENTS CONCERNING THE PROPOSED REGULATION AMENDMENT SHOULD BE SUBMITTED WITHIN 14 DAYS OF THE DATE OF THIS NOTICE TO THE CONTACT PERSON IDENTIFIED BELOW. The comments must identify the regulation you are commenting on.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED REGULATION AMENDMENT IS:

Regulations Administrator
4000 Central Florida Blvd.
Millican Hall, Suite 360
Orlando, FL 32816-0015
Phone: (407) 823-2482
Fax: (407) 823-6155
e-mail: regulations@mail.ucf.edu

FULL TEXT OF THE PROPOSED REGULATION AMENDMENT:

UCF-2.029 Patents, Trademarks and Trade Secrets.

(1) General.

- (a) This regulation is applicable to all University Personnel (as defined in section (2)(a)). Nothing herein shall be deemed to limit or restrict the University's full exercise of its legal rights and authority.**

- (b) The University possesses all rights to and has the authority, at its option, to take any action necessary and proper to secure Intellectual Property owned by the University, and the University may take all steps necessary and proper to protect and enforce its rights. University profits derived from Intellectual Property subject to this Regulation shall be shared with the Inventor and/or Creator in accordance with this Regulation, University Regulation UCF-2.033, any applicable collective bargaining agreements, and policies or procedures established by the University, including the Office of Research and Commercialization. In the event of a conflict between this regulation and any departmental or university policy, this Regulation shall control.
- (c) It is a purpose of this Regulation to state University-wide policies governing the ownership, use, and commercialization of Inventions, Trademarks, and Trade Secrets. The University encourages University Personnel to engage in research and scholarly endeavors that may result in Inventions, Trademarks, and Trade Secrets. To that end, the University has developed a robust operation to support University personnel in research endeavors and to commercialize the Intellectual Property that may result from those endeavors. Where the University asserts ownership rights, the University will share proceeds of any commercialization efforts with the appropriate University Personnel.
- (d) Research is a basic objective of the University, undertaken to educate students, stimulate a spirit of inquiry, solve problems, and create new knowledge. Although the research and teaching missions of the University always take precedence over intellectual property considerations, adequate recognition of and incentive to potential Inventors through the sharing of the financial benefits resulting from the transfer and development of patentable Inventions and other marketable forms of Intellectual Property encourages the creation of such Intellectual Property and serves the public interest. In sharing the proceeds with Inventors, the University recognizes inventorship, encourages and supports research within the University, and recognizes the interests held by outside sponsors of University research.

(e) This Regulation addresses only Patents, Trademarks, and Trade Secrets. Copyrights and Works are addressed in University Regulation UCF-2.033 and in applicable collective bargaining agreements.

(2) Definitions. For purposes of interpreting and applying the substantive provisions of this Regulation, the following definitions shall apply:

(a) “University Personnel” shall mean all full-time and part-time employees of the University, whether or not they are members of a collective bargaining unit, including all faculty, staff, and post-doctoral fellows; appointees of the University who receive University Support (as defined below), including volunteers, adjuncts, and courtesy faculty; persons paid by or through the University, including contractors and consultants; and anybody working under University auspices and anybody receiving University-Support (as defined below). Students, including undergraduate, graduate and professional students, who are encompassed within any of these categories, shall be considered University Personnel for purposes of this Regulation.

(b) “Work” means, in accordance with Title 17 of the U.S. Code, any original work of authorship that is or may be subject to Copyright. “Work” includes but is not limited to printed material (such as books, articles, memoranda, and texts), computer software or databases, audio and visual material, circuit diagrams, architectural and engineering drawings, lecture, musical or dramatic compositions, musical works, dramatic works, motion pictures, multimedia works, web pages, sound recordings, choreography, and pictorial or graphic illustrations or displays, and any creative expression of a Trademark used in connection with these items. “Work” does not include any patentable material, which is encompassed within the definition of an Invention, but an Invention may include a related Work. Rights to Works are addressed in University Regulation UCF-2.033, Copyrights and Works.

(c) “Invention” shall include (i) any discovery, invention, process, composition of matter, article of manufacture, know how, design, model, technological development, biological material, strain, variety, culture of any organism, or portion, modification, translation or extension of these items which is or may be

patentable or otherwise protected under Title 35 of the United States Code, or that is or may be protected as a Trade Secret, under the Florida Trade Secrets Act, Ch. 688, Fla. Stat. or any similar act of another State, as may be relevant, (ii) any novel variety of plant that is or may be patentable or otherwise protected under the Plant Variety Protection Act (7 U.S.C. §2321 *et seq.*), (iii) any Trademark, and/or (iv) any directly related know-how used in connection with these items. Instructional Technology Material which is or may be patentable is included in this definition.

- (d) “Creator” shall mean any University Personnel who create(s) a Work.
- (e) “Inventor” shall mean any University Personnel who make(s) or discover(s) an Invention.
- (f) “Makes” or “made” when used in conjunction with any Invention shall mean the conception or constructive or first actual reduction to practice of such Invention.
- (g) “University Support” shall mean the non-incidenta! use of University funds, personnel, facilities, equipment, materials, technical information, or students in the creation or making of a Work or Invention; and does not include the inconsequential use of resources made available to the University community for common use. “University Support” includes support provided by other public or private organizations when it is arranged, administered or controlled by the University, including but not limited to research and investigations that are sponsored by the University and/or that are carried out by public funds.
- (h) “Patent” means a property right granted by the Government of the United States of America to an Inventor to exclude others from making, using, offering for sale, or selling an Invention throughout the United States or importing the Invention into the United States for a limited time in exchange for public disclosure of the Invention. The term also includes patent rights that may be granted by foreign governments.
- (i) “Trade Secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process that: (i) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain

economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

(j) “Intellectual Property” refers to Works, Inventions, Trademarks and Trade Secrets.

(k) “UCFRF” means the University of Central Florida Research Foundation, Inc., a direct support organization of the University which supports the research and sponsored program activities of the University.

(l) “Trademark” means a name, symbol, figure, letter, word or mark adopted and used to designate the source of goods and/or services arising from an Invention or a Work.

(m) “Outside Activity” means private practice, private consulting, additional teaching or research, financial interest, or other activity, compensated or uncompensated that: (i) is not part of University Personnel’s assigned duties; (ii) is not compensated by the University; and (iii) does not involve University Support. Outside Activity is subject to the requirements of this Regulation and other University Policies and Regulations, including but not limited to University Regulation UCF-3.018.

(3) Rights in Inventions, Trademarks, and Trade Secrets.

(a) *Inventions made as a result of personal endeavors are owned by University Personnel.*

(i) Inventions made outside the field or discipline in which the Inventor is employed by the University (i.e. the field or discipline in which the Inventor conducts research, teaches, and/or provides service activities for the University), for which the idea came from the Inventor, and for which there has been no University Support (as defined in 2(g)), are the property of the Inventor.

(ii) Inventions resulting from Outside Activity. University Personnel, after reporting the details in accordance with applicable University procedures and receiving authorization, may engage in Outside Activity. University Personnel seeking to engage in Outside Activity are advised to review the terms of University Regulation UCF-3.018 and any applicable collective

bargaining agreement. University Personnel engaged in Outside Activity should use great care to determine that Intellectual Property clauses in their Outside Activity agreement(s) do not involve conflicts of interest and are not in conflict with sponsored grants or contacts, or with University policy. If the individual seeking to engage in an Outside Activity is asked to sign an agreement relating to the Outside Activity that purports to waive any University right(s) in any Intellectual Property, a copy of this Regulation shall be provided to the person asking for a waiver before the Outside Activity begins. University Personnel are not authorized to waive University rights, and any such waiver is deemed rejected by the University unless specifically accepted by the Vice President of Research & Commercialization or designee.

(A) All Inventions arising from authorized Outside Activity and outside the field or discipline of the Inventor are the property of the Inventor.

(B) Undisclosed Outside Activity is considered unauthorized. Any Invention arising from undisclosed Outside Activity must be disclosed to the Vice President of Research & Commercialization (see 3(c)). If the Inventor claims the Invention resulted from Independent Effort(s), then as part of the disclosure, the Inventor shall provide sufficient documentation to substantiate the claim. As used in this section, the term "Independent Effort(s)" means that the Invention is outside the field or discipline of the Inventor and was made without University Support.

(C) Upon receipt of written notice from the Vice President of Research & Commercialization confirming the University's decision not to assert a University interest in an Invention resulting from unauthorized Outside Activity, the Inventor shall have the right to determine the disposition of such Invention. However, the Inventor and the Vice President of Research & Commercialization may agree that a patent for such Invention will be pursued by the

University; in that event, the Inventor and University shall share in the proceeds of any Invention as provided by this Regulation and any applicable policies or procedures established by the Vice President of Research & Commercialization including applicable UCFRF Guidelines and Procedures for Distribution of Funds or in such other manner as the parties may agree.

(b) *Inventions Owned by the University.* Inventions made in the field in which the Inventor is employed by the University (i.e. the field or discipline in which the Inventor conducts research, teaches, and/or provides service activities for the University), or for which there has been University Support (as defined in 2(g)), are the property of the University, and the Inventor(s) shall share in the proceeds therefrom. Such Inventions and related rights shall be the property of the University and are hereby assigned to the University by the Inventor(s).

(4) Disclosure/University Review.

University Personnel are required to disclose all Inventions owned by the University and all Inventions resulting from any Outside Activity within the field or discipline of the inventing University Personnel. It is the policy of the University that, in general, research results should be publishable; publication of such results in appropriate venues is encouraged. However, if the publication of research results may reveal an Invention in which the University has an interest, University Personnel should seek advice on how and when to publish the results in order that potential patent rights for the Invention are not compromised. That is, upon the making of an Invention and prior to any publication or public disclosure, University Personnel shall promptly and fully disclose to the Vice President of Research & Commercialization any Invention described in 3(b).

(a) The disclosure shall be made on the forms and according to procedures prescribed by the Vice President of Research & Commercialization. At a minimum the disclosure shall: (1) identify each Inventor, (2) provide a brief description of the Invention, and (3) identify and summarize the research project including the participants and applicable funding sources.

(b) The Vice President of Research & Commercialization shall inform the Inventor within one hundred twenty (120) days from the date of disclosure whether the

University will assert its interest in the Invention and pursue patent, trademark, and/or copyright protection for the Invention and/or define certain elements of the Invention for protection as trade secret.

- (c) In the event the University elects to obtain a Patent, register a Trademark or a Copyright, or to formally define a Trade Secret to protect the University's rights in the Invention, University Personnel will execute any and all necessary documents to affirm, publicly formalize, and record the transfer of all rights to the University or to UCFRF. UCFRF is required to comply with the same policies and procedures regarding allocation of proceeds/royalties as the University.
- (d) In the event the University asserts its rights in the Invention, all costs and expense of patenting, developing, and marketing the Invention and related activities, including those which may lead to active licensing of the Invention, shall be paid by the University.
- (e) Allocation of proceeds/royalties shall be made in accordance with this Regulation and any applicable policies or procedures established by the Vice President of Research & Commercialization including the applicable UCFRF Guidelines and Procedures for Distribution of Funds. The University's costs and expenses shall be recovered before any division of revenue is made. For any Invention that results from research done in a thesis or dissertation or in connection with a thesis or dissertation related project, the amount allocated to the Inventor(s) shall be divided between the faculty member who directed the research and the graduate student(s) who invented the Invention in a manner that reflects their relative contributions to the Invention as determined by the Vice President of Research & Commercialization.
- (f) The Inventor shall not commit any act that would tend to defeat the University's or Inventor's interest in the Invention, such as making a public disclosure of the Invention prior to the University obtaining applicable intellectual property protection, and shall take any necessary steps to protect such interests.

(5) Release of University Rights. If the University elects not to assert its interest in an Invention owned by the University, all rights to the Invention shall be released to the Inventor upon the Inventor's request and subject to any existing third party right.

- (a) If the University's ownership interest in an Invention is waived, the Inventor must disclose any potential conflict of interest created by the Inventor's ownership of the Invention when proposing research to be conducted using University resources that could reasonably appear to influence the financial value of the Invention.
- (b) The University's release of the Invention to the Inventor(s) shall be contingent upon the execution of a written agreement with the Inventor(s) that grants to the University: (1) a right to a ten percent (10%) share of proceeds arising from or attributed to the Intellectual Property valuation of the Invention and received by the Inventor from a third-party for commercialization of the Invention or transfer of ownership of the Invention, and (2) a royalty free right to the Invention for educational and research purposes of the University and for the governmental purposes of the State of Florida.

(6) University Withdrawal and Transfer of Rights to Inventor.

At any stage in the formalizing of Intellectual Property registration (such as making a patent application or maintaining the patent) or in the commercial application of an Invention, the University at its sole discretion may elect to withdraw from further involvement in the protection or commercial application of the Invention. If the University elects to withdraw upon the Inventor's request, the University may transfer the Invention rights not subject to third-party rights to the Inventor. Under these circumstances, the Invention shall become the property of the Inventor and none of the costs incurred by the University or on its behalf shall be assessed against the Inventor; however, the provisions of paragraph (4) and this paragraph will apply. Where the University assigns or releases its rights to the Inventor, the Invention shall be available royalty-free for governmental purposes of the State of Florida and research or instructional purposes of the University unless otherwise agreed to in writing.

Authority: BOG Regulation 1.001, Florida Statutes s. 1004.23. History—New 10-8-75, Amended 7-14-80, Formerly 6C7-2.29, Amended 3-16-03, Formerly 6C7-2.029, Amended -11.

~~6C7-2.029~~ Copyrights and Patents:

(1) General:

~~(a) The University of Central Florida shall have the authority to take any action necessary to secure letters of patents, copyrights, and trademarks, on any such work products produced by an employee of the University as described below, and to enforce its rights therein.~~

~~(b) The University may seek letters of patents, copyrights, or trademarks at the option of the appropriate University official on products resulting from investigations financed by the University, that is sponsored by the University and/or carried out by public funds and by persons paid by the University.~~

~~(c) Projects resulting from an investigation which is financed by the University and another co-sponsor not connected with the University shall be undertaken in accordance with the execution of a written agreement made prior to the actual initiation of the investigation. Each contract shall stipulate the patent, copyright and trademark rights of the University and the co-sponsor.~~

~~(d) All University profits derived from patents, copyrights, or trademarks shall go to the "sponsored research development fund" to be administered for the further promotion of research.~~

~~(2) Copyrights.~~

~~(a) An investigator who develops a product in any way supported by University funds, personnel, facilities, equipment, or materials shall report to the Vice President for Research his interest in having the product copyrighted. Within 120 20 days, the Vice President shall inform the employee whether the University seeks an interest in the copyright and a written contract shall be negotiated to reflect the interest of both parties.~~

~~(b) An investigator may procure the copyrights and receive the royalties for products provided (i) the ideas were the investigator's, (ii) the product resulted from the investigator's independent labor, and (iii) the University is was not held responsible for any opinions expressed therein.~~

~~(3) Patents.~~

~~(a) Projects resulting from an investigation which is financed by a sponsor not connected with the University shall be undertaken in accordance with the execution of a written agreement made prior to the actual initiation of the investigation. Each contract shall stipulate the patent rights of the University and the co-sponsor. The University may obtain letters of patents at the option of the appropriate University official on products resulting from an investigation performed by a University employee at his own expense and on his own time in the field in which the investigator is employed by the University.~~

~~(b) The University shall not seek a letter of patent on a product resulting from an investigation performed by a University employee outside of the field in which the investigator is employed by the University and at his own expense and on his own time.~~

~~(c) The University reserves the right to enter into contract with recognized patent management and development agencies for the purpose of patent application, patent development, and patent management. In such cases, the terms of the contract shall provide for a distribution of the proceeds from the disposal of the patent between the contracting parties and the discoverer or inventor. In no case shall the proceeds allocated to the discoverer or inventor be less than 15 percent (15%) of the gross proceeds. In the event the product involved in the patent comes from research done in dissertations or in connection with dissertation problems, the amount allocated to the discoverers shall be divided between two thirds to the faculty member who directed the research and one third to the graduate student who helped with the work in a manner determined by the University to reflect their relative contribution to the research.~~

~~(d) The investigator shall report to the Vice President of Research the nature of the discovery or invention together with an outline of the project and the conditions under which it was done. The Vice President shall inform the investigator within 120 20 days if the University wishes to assert its interest in a patent. A decision as to whether the University will prosecute the patent will be made within 120 days from the date the discovery was announced to the Office of Graduate Studies and Research. In the event the University elects not to obtain a letter of patent, all rights to the product shall be released to the inventor or discoverer. However, the University's obligation to release the patent shall be contingent upon the execution of a written agreement with the inventor or discoverer granting the University a 10% royalty on all income generated directly or indirectly from the patented invention.~~

~~(e) When the University elects to obtain a letter of patent, the University shall pay the cost of obtaining such documents.~~

~~(f) At any stage of making the application or in securing the letter of patent, the University may withdraw and return all rights to the inventor or discoverer. Under these circumstances and subject to subparagraph (e), the product shall be the property of the inventor or discoverer and none of the costs incurred by the University or on its behalf shall be assessed against the inventor or discoverer.~~

~~(g) All assignments of or release of patent rights by the University to the inventor shall contain the provision that such invention and/or process if patented by the inventor shall be available royalty free for governmental purposes of the State of Florida.~~

~~Specific Authority 1001.74(4), 120.53(1)(a), 240.227(1) FS. Law Implemented 1004.23, 120.53(1)(a), 240.227(1), 240.229 FS.~~

~~History New 10-8-75, Amended 7-14-80, Formerly 6C7-2.29.~~