





# National University of Health Sciences General Policies

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Date Adopted: <b>01/17/91</b>	Date(s) Revised: <b>05/11/99, 06/30/03, 05/26/22</b>			
President 	Date			

## POLICY STATEMENT

All National University of Health Sciences (NUHS) personnel who have reason to believe that they have made a patentable invention shall report that belief in writing at once to the President or his/her designee, with a full description of the invention and any matters relevant to it. Subject to reference, by way of appeal, to the NUHS Patent Committee at the request of the inventor, the Vice President for Business Services or his/her designate shall finally decide how the invention shall be handled under the following paragraphs:

- Any invention made with only minimal use of materials, supplies, facilities, and services of NUHS, and without any substantial use by the inventor of his/her time during which he/she is receiving compensation from NUHS, and without any substantial use by the inventor of the services of other NUHS personnel or independent contractors having a contract with NUHS, shall belong to the inventor.
- Any invention made with more than a minimal use of materials, supplies, facilities, or services of NUHS, or with a substantial use by the inventor of his/her time during which he/she is receiving compensation from NUHS, or with substantial use by the inventor of the services of other NUHS personnel or independent contracts having a contract with NUHS, shall belong to NUHS.
- Any invention made by NUHS personnel utilizing, in whole or in part, funds controlled by or derived from a grant, or a contract with an extramural entity, or otherwise subject to such a contract, shall be subject to any provision of the grant or contract respecting ownership of patents, or in the absence of such provision shall be the property of NUHS.

## PROCEDURES

### General Statement:

National University of Health Sciences and/or its successor organization hereinafter referred to as (NUHS) is concerned with discovery, reason, and knowledge, and their application to the problems of mankind. To the extent that the results of this application

are patentable, patents upon them are perfectly proper if it is kept in mind that patents are simply by-products, not ends in themselves.

NUHS recognizes that inventions and discoveries of commercial importance may be the natural outgrowth of research conducted by faculty, staff and students, and desiring to secure both public benefit from applications of such research and enhancement of the University's capacity for such research, NUHS has established the following patent policy:

1. NUHS' primary obligation in conducting research is the pursuit of knowledge for the benefit and use of society.
2. Inasmuch as new ideas and discoveries of commercial interest may be a consequence of NUHS research, and inasmuch as patent protection can often enhance the reduction to a public usefulness of inventions which result from NUHS research, NUHS as a general policy, will seek patent protection for those ideas and discoveries which arise out of the research activities of its faculty and staff where it appears necessary or desirable to do so.
3. It is the judgment of the University that the reduction to a public usefulness of inventions and discoveries resulting from NUHS research, the publication and availability for educational purposes of the fruits of such research, and the achievement of a fair and equitable distribution of royalties, which acknowledges both the contribution of the inventor and the University, can best be assured by operation of a uniform Patent Policy which provides for University ownership of inventions.

#### Patent Responsibilities and Administration:

1. This policy applies to all members of the faculty, students, employees and persons not employed by the University, but who use NUHS research facilities, and for those who receive gifts, grants, or contract funds through the University. Any and all of who are identified above are herein referred to as University personnel.
2. Matters relating to the operation of this policy shall be handled by the NUHS Patent Committee, which shall be appointed on an ad hoc basis as needed. The Committee shall be assembled of the Vice President for Business Services, and three full-time employees, two of whom shall be members of faculty appointed as needed and by the Faculty Senate, and one of whom shall be the Patent Officer appointed by the President. No member of the Patent Committee should have a significant interest in the invention under consideration. The Patent Officer may, or may not, be a faculty member. The two Faculty Senate appointees are subject to approval by the President. The Committee is responsible for:
  - a. Reviewing and proposing University policy on intellectual property matters, including patents, copyrights, trademarks, and tangible research products;
  - b. Reviewing the administration of intellectual property operation to ensure consistent application of policy and effective progress toward program objectives;
  - c. Advising the President on related matters as requested;
  - d. Determining in cases of co-inventorship, the division of the per centum share, except that the division of proceeds between the inventor(s) and the University shall be 50/50 after expenses;

- e. Conferring in unusual cases, with the Patent Officer and Vice President for Business Services as to whether a higher or lower per centum should apply. The final decision however, being subject to the express consent thereto by the President.
3. Administrative matters relating to the operation of this policy shall be handled by the Vice President for Business Services, who shall serve as the Secretary of the Patent Committee. The Patent Officer shall work closely with the President or his/her designee.
4. The President or his/her designee, along with the Patent Committee, is responsible for implementation of this policy, including the following:
  - a. Evaluating inventions and discoveries for patentable, as well as scientific merit and practical application, and requesting the filing and prosecution of patent applications.
  - b. Evaluating the patent or analogous property rights or equities held by the University in an invention, and negotiating agreements with cooperating organizations, if any, with respect to such rights or equities.
  - c. Negotiating licenses and license option agreements with other parties concerning patent and or analogous property rights held by the University.
  - d. Directing and arranging for the collection and appropriate distribution of royalties and fees.
  - e. Approving exceptions to this policy on intellectual property matters including patents, copyrights, trademarks, and tangible research products.
5. A copy of all grants or contracts calling for research, investigation or development by NUHS or NUHS personnel shall, before commitment thereto by NUHS or NUHS personnel, be submitted to the Dean of Research for review. If such grant or contract is thereafter executed, a copy of same as executed shall be furnished to the Dean of Research. A similar procedure shall be followed on all grant or contract amendments.
6. All inventions falling within the meaning of "belong to NUHS" as described in the Policy Statement above, shall be submitted by the inventor to the Patent Committee as soon as practical. The Committee shall recommend one of the following action be taken by the President:
  - a. Patent rights assigned outright to the discoverer or inventor in the event the discovery or invention does not fully meet any of the criteria for "belong to NUHS" as described in the Policy Statement above.
  - b. Assigned outright to the discoverer or inventor if determination is made that commercial exploitation by the University is not warranted.
  - c. Transferred to one or more patent management organization or corporation with which the University has contracted for commercial development.
  - d. Marketed by the Patent Committee of NUHS.
  - e. Forwarded to the outside sponsor if such action is required under the terms of a sponsored project agreement or by law.
7. No NUHS personnel may assign or license or agree to assign or license an invention developed under the criteria for "belong to NUHS" as described in the Policy Statement above without the prior written consent of the President or his/her designee.

8. All inventions falling within the meaning of "belong to NUHS" as described in the Policy Statement above, may at the inventor's option, be submitted by him/her, through the Patent Committee, to a corporation, or other entity, of his/her choosing for such evaluation, patenting, and licensing, but upon such financial terms as may be agreed upon by the inventor and the corporation, or other entity, of his/her choice.
9. In cases in which NUHS has ownership of an invention and does not file a patent application within one year, or fails to make a positive determination regarding pursuit of a patent within a period of 6 months from the date of disclosure, all of NUHS' rights shall be reassigned to the inventor upon request, subject only to such external sponsor restrictions as may apply.

#### Licensing:

1. In some cases, an exclusive license may be necessary to provide an incentive for a company to undertake commercial development and production. Nonexclusive licenses allow several companies to exploit an invention.
2. The research and teaching missions of the University always take precedence over patent considerations. While the University recognizes the benefits of patent development, it is most important that the direction of the University research not be established or unduly influenced by patent considerations or personal financial interests.
3. The Patent Committee and the President or his/her designee handle the evaluation, marketing, negotiations and licensing of the University-owned inventions with commercial potential. Royalty distribution is as follows:
  - A deduction of 15% to cover the administrative overhead of the Patent Committee and patent process is taken from gross royalty income, followed by a deduction for any directly assignable expenses, typically patent filing fees. After deductions, royalty income is divided one-third to the inventor or to the inventor(s)' heirs, successors, or assigns, and two thirds to the University.

#### Computer Programs:

While, from a strictly legal standpoint, computer programs may be either copyrighted or patented, they are, within the University context, closer to inventions than to literary and artistic creations. Therefore, all rights in computer programs shall be considered under the provisions of this policy rather than the NUHS Intellectual Property Policy.

#### Application of Policy:

This Patent Policy supersedes and renders null and void all prior NUHS policy, whether written or oral, relative to patents. However, the interests of NUHS personnel in inventions arising from their research, investigation, or development substantially in process prior to the current revision shall not be adversely affected by such supersession, nullification, and voidance.

This policy may be amended only with the approval of the President; however, any such amendment(s) shall not adversely affect the interests of NUHS personnel in inventions arising from their research, investigation, or development substantially in the process as

of the date of such amendment(s) and completed within one (1) calendar year of the date of such amendment(s).