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Approved by: James E.K. Hildreth, Ph.D., M.D.
President and Chief Executive Officer

Subject: General Counsel – Intellectual Property Policy

PURPOSE:

This Policy governs the ownership and protection of intellectual property and the transfer of Intellectual Property (as defined herein) created or authored by Meharry Medical College (“Meharry”) faculty members, staff members, or students.

The purpose of this Policy is to encourage, support, and reward scientific research and scholarship, and to recognize the rights and interests of the creator, author, inventor, or innovator (hereinafter referred collectively as “Inventor”), the public, the sponsor, and the College. Meharry’s commitment to teaching and research is primary and this Policy does not diminish the right and obligation of faculty members to disseminate research results or scholarly purposes, which the College considers to take precedence over the commercialization of Technology. In addition, application of this Policy will follow principles of open and full disclosure, overall equity, fairness to the Inventor and the College, the need for understanding and good will among the parties who have an interest in Intellectual Property and reasonableness in the negotiation of licensing agreements.

POLICY:

A. Rights in Technology

All rights in Intellectual Property created by Meharry faculty members, staff members, or students with the use of College facilities or funds administered by the College are granted to the College, with income to be distributed in accordance with this Policy. The terms “Inventions, Discoveries, and Other Innovations” and “Intellectual Property” include tangible or intangible inventions (e.g., information processing innovations) whether or not reduced to practice, and tangible research results whether or not patentable or copyrightable. These research results include, for example, biogenic materials, drugs, databases, computer programs, and other technical creations (re: computer applications) and/or human capital/development. Faculty members working with students on

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research projects must inform students in advance of the terms of this Policy and of any burdens of nondisclosure or confidentiality deemed necessary by the faculty member to protect resulting Intellectual Property.

All rights in intellectual property developed by Meharry faculty members, staff members, or students without the use of the College facilities or funds administered by the College, but which fall within the Inventor's or Creator's scope of employment, are granted to the College, with income to be distributed in accordance with this policy, subject to the following exceptions in which Meharry generally will assert no ownership rights or interests:

- Intellectual Property developed pursuant to prior independent research or other outside activity that is consistent with the College and school policies, and was disclosed in writing to the faculty member's Dean at the beginning phase of this research or activity.
- Permission from the Dean and the Office of General Counsel shall be obtained through the faculty Chair.
- Intellectual Property assigned to an outside entity by a consulting agreement between a faculty member and that entity, provided that a) the agreement is consistent with Meharry policies, including Conflicts of Interest policies, and b) the agreement was disclosed in writing to the faculty member's Dean and the Office of General Counsel in advance of execution of the agreement by the faculty member and was approved.

Factors that determine the scope of a faculty member's employment include the relationship of the Intellectual Property to that faculty member's recent teaching, research and other College activities, as well as activities stipulated in any appointment contract. Disagreements concerning ownership and other matters regarding this Policy can be appealed to the Intellectual Property Committee (as defined later in this Policy) in accordance with this Policy.

B. Literary and Artistic Works

All rights, including but not limited to, scholarly books, articles and other publications, curriculum development, artistic, literary, film, tape, and musical works ("Literary and Artistic Works") are granted to the faculty, staff, and students who are the authors. Literary and Artistic Works includes texts that have been stored on computer media, but excludes computer programs or computer

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software or databases that are neither accessory to nor an electronic expression of a scholarly test. All rights in non-scholarly Literary and Artistic Works created with the use of College funds or facilities, or that capitalize on an affiliation with the College, are granted to the College and income distribution shall be handled in the same manner as Technology. Commercial use of the College's name and logo requires prior College approval.

C. Consultants

All rights in inventions and discoveries that result from consultants agreements are owned by the College with no right or interest vesting in the Inventor or Creator.

Administration

A. General Responsibilities

The President of the College shall be responsible for matters of policy relating to Intellectual Property and affecting the College's relations with Inventors or Creators, governments, private research sponsors, industry, and the public. The Intellectual Property Officer (IPO), assigned to the Office of Research, as appointed by the President, in consultation with the Office of Research, shall be responsible for the administration of this Policy and the Intellectual Property Program (IPP), including the evaluation of patentability or other forms of protection, the filing of patents, licensing activities, and pursuit of infringement actions, consistent with the terms of this Policy. These responsibilities are carried out in coordination with the Deans, the Office of Research, and the Office of General Counsel.

B. Intellectual Property Review Committee

The President will appoint an Intellectual Property Review Committee ("Committee") with nominations for faculty positions being made by the Deans. A faculty member shall chair the Committee and the majority of members will be faculty members without administrative appointments. The Committee shall review and monitor matters relating to the administration of this Policy. The Committee shall be consulted in advance concerning any material changes to the Policy and shall participate fully in the future development of the Policy.

The Committee serves as an appellate body advisory to the President in the event

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a disagreement occurs between Inventors or Creators or between Inventors or Creators and the College concerning the interpretation or application of this Policy. In cases in which the Committee is unable to resolve the disagreement between the parties, the Committee will forward its recommendation for a resolution to the College mediator. If the issue is not resolved, it will be forwarded to the President or the President's designee for final decision.

C. Disclosures

Intellectual Property created by Meharry faculty members, staff members, or students with the use of College facilities or funds administered by the College, shall be disclosed on the Record of Invention (ROI) form and submitted to the Intellectual Property Officer, the appropriate Dean, and the Office of Research. These disclosures will be maintained in strict confidence.

D. Obtaining a Patent

Following disclosure of an invention or discovery to the College by the inventor, the IPO shall make reasonable efforts to determine the potential commercial use and patentability of the invention or discovery. When, in the sole judgment of the College, there appears to be sound basis for proceeding, the College will apply for a patent at no expense to the inventor. The College owns the invention and any patent obtained. The inventor is expected to cooperate and participate in obtaining patent protection, including signatures on appropriate documents. If the inventor consults with an outside patent counsel, he or she must bear all of the expense, acknowledging that final responsibility for prosecution rests with the College.

E. Release of Intellectual Property Rights

If the College does not file a patent application, the IPO will so notify the inventor, within 180 days from full disclosure of the discovery to the College, and the College will release its rights in the invention or discovery to the inventor. The inventor may elect to continue to seek a patent at his or her own expense. If the College desires to terminate the application for a patent after initiating the application process, the IPO will so notify the inventor, and the College will release its rights in the invention or discovery to the inventor, subject to the

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inventor's agreeing to reimburse the College for any costs incurred by the College in obtaining, maintaining, or marketing the patent before its release to the inventor if the patent is commercially profitable. Such reimbursement is payable from proceeds received by the inventor from the invention, whether by license, sale, or otherwise. If the inventor declines to accept the patent, the College, at its discretion, may abandon the property at no cost to the inventor.

F. Licensing

The Inventor or Creator will cooperate with the IPO and the Office of General Counsel to protect College interest in disclosed Intellectual Property including executing appropriate assignments to protect legal rights. It is anticipated that the Inventor or Creator will be an active participant in the licensing process and will be consulted prior to licensing decisions.

Inventors or Creators having an interest in a potential licensee may request that the potential licensee be given the right of first negotiation, consistent with College policy on conflicts of interest and any other applicable School or departmental policies.

Income

A. General Principle

The general principle sought by this Policy is to direct income from income-producing discoveries toward Inventors, Creators and relevant sections of the College, to assure the transfer and development of those discoveries for the public benefit.

B. Definitions

For purposes of this Policy, "income" is defined as royalties or return received from the transfer or licensing of Intellectual Property. Net income is defined as the balance of income remaining after the recovery of total College expenses directly related to generating and securing income from a specific Technology. These expenses will consist of costs such as application, issuance, and maintenance fees for patents; legal fees and other direct expenses concerning licensing or transferring that Technology; and direct marketing and patent promotion costs for that Technology

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C. Distribution of Net Income Generated by Inventions

The College will return fifty percent (50%) of the net income generated by an invention to the Inventor and the remainder will be distributed among various College functions according to the schedule shown in Appendix 1.

D. Multiple Inventors

When more than one Inventor conceives a technology, they shall together receive fifty percent (50%) of the net income generated by the invention. The inventors shall agree upon a plan for distributing the revenue among them and submit this plan in writing to the Intellectual Property Officer at the time they disclose their invention.

E. Election of Equity Interest

When it is appropriate to do so, the College may, at its own sole discretion, accept an equity position in lieu of cash royalties.

Acceptance of This Policy

Acceptance of a faculty appointment at Meharry, employment by Meharry, and/or enrollment in any training program at Meharry shall be construed as an agreement to abide by the provisions of this Policy.

Commercial Development

A. The Role of the Intellectual Property Transfer Program

The College's Intellectual Property Transfer Program will use its best efforts to pursue the licensing of Intellectual Property by researching the market for the technology, identifying third parties to commercialize it, entering into discussions with potential licensees, negotiating appropriate licenses or other agreements, monitoring progress, and distributing net income to the Inventors in accordance with the College's net income policy.

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B. Inventor's Responsibility

The support and cooperation of the Inventor is critical to licensing success. The Inventor will cooperate with the IPO and IPP to protect College interest in disclosed Intellectual Property including executing appropriate assignments to protect legal rights.

C. Commitment of Future Inventions

It is the policy of Meharry not to commit future inventions to licensees even where improvements to Intellectual Property are anticipated. Some very narrowly drawn exceptions may occasionally be appropriate to handle subordinate patents and well-defined derivative works for licensed software.

D. Evaluation

Once the ROI form disclosing an invention is submitted to the IPP, and the Intellectual Property Committee (Committee), appointed by the IPO with consultation with the President will begin the process of evaluating the invention for patentability, commercial potential and obligations to sponsors. The first step will typically be a meeting with the Inventor. The Committee may contact or consult with external third parties as part of the evaluation process.

E. Intellectual Property Arising From Sponsored Research

The intellectual property terms of all research agreements are governed by the following principles:

1. The investigator is free to publish or present the results of a sponsored project, subject only to contractually agreed-upon delays to permit the sponsor to review the proposed publication or presentation for the appropriate use of the sponsor's confidential information and the inclusion of patentable information.
2. In those cases where the College agrees to respect the proprietary nature of a sponsor's data disclosed to the College for certain limited purposes, all persons working on the project (faculty, staff, and students) are required to treat the sponsor's data as confidential.

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3. Any inventions, discoveries, or patents arising from the sponsored project will be used in the public interest.
4. The College owns all inventions and discoveries made by researchers arising from gifts or sponsored projects.
5. As outlined in Section IV, the College and the inventor share in the net income received from intellectual property developed under the agreement.

If the proposed contractual requirements of a sponsor are contrary to the College's patent policy and cannot be reasonably negotiated, the Vice President for Research and IPO in consultation with the President shall jointly determine whether to accept the proposed sponsorship.

**EXHIBITS: Appendix 1: Distribution of Net Income From Technologies
Record of Invention**

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Appendix 1

Distribution of Net Income From Technologies

Net Revenue \$10,000-\$50,000

Unit	% of Net Revenue
Intellectual Property Program (IPP)	50%
Inventor(s)	50%

*IPO costs include salary and operating costs for Office of Intellectual Property, Marketing & Promotion, and other expenses, such as contractual costs for consultants

Net Revenue: \$51,000-\$100,000

Unit	% of Net Revenue
IPP	20%
Office of the President	10%
Dean*	20%
Inventor(s)	50%

*Dean of School(s) determines the distribution among Dean and relevant departmental chairs and center directors, defined for each article of intellectual property

Net Revenue: \$101,000 or greater

Unit	% of Net Revenue
IPP	10%
Office of President	10%
Dean*	20%
Inventor's Laboratory Program	10%
Inventor(s)	50%

*Dean of School(s) determines distribution among Dean and relevant departmental chairs and center directors, defined for each article of intellectual property