Title/Subject: TECHNOLOGY TRANSFER OF CMU INTELLECTUAL PROPERTY

Applies to: ☒Faculty ☒Staff ☒Students ☒Student Employees ☐Visitors ☐Contractors

Effective Date of This Revision: July 1, 2022

Policy Owner: Office of Research and Graduate Studies (ORGS)

Background

Technology Transfer is the process of commercializing the technology and innovations created at Central Michigan University (CMU). Technology transfer is critical to sustaining the innovation enterprise of CMU. As faculty, staff or students develop new innovations, they disclose such inventions to the Office of Research and Graduate Studies (ORGS) for evaluation and possible patentability. Once protected, proactive efforts can be undertaken to market technologies to industry for potential commercial licensure.

Purpose

This policy outlines expectations concerning the roles of various participants in providing transfer of technological innovations held collectively between faculty/staff/students and CMU, to commercial industry interested in licensing said innovations. The policy set forth herein is designed to complement CMU Policy 3-61 (Intellectual Property).

Definitions

- **Inventor:** The CMU faculty/staff member or student who makes an original discovery or innovation of a new technology in the course of their employment or study at CMU.
- **Invention:** A process, method, discovery, device, plant, composition or matter, software, technology or other work that reasonably appears to qualify for protection under United States patent law, chip design protection law or plant protection schemes, whether or not actually patentable. An invention may be the product of a single creator or a group of creators who have collaborated on a project.
- **Intellectual Property:** Collective, all forms of patented and unpatented inventions, tangible research property, copyrightable or copyrighted works which are system administration or component institution manuals or materials or works, such as software, which may be part of, or embedded in, a larger comprehensive design, system, or device.
- **Tangible Research Property:** Tangible items produced in the course of research including but not limited to such items as biological materials, engineering drawings, integrated circuit chips, computer databases, prototype devices, circuit diagrams, and equipment. Individual items of tangible research property may be associated with one or more intangible properties, such as inventions, copyrightable works and trademarks. An item of tangible research property may be the product of a single creator or a group of creators who have collaborated on a project.
- **Pre-Disclosure:** Any early contact with ORGS personnel to discuss an invention or discovery, and to provide guidance with respect to the disclosure, evaluation, and protection processes described below.
- **Invention Disclosure:** The written notice of invention or discovery to the ORGS that begins the formal technology transfer process. An Invention Disclosure remains a confidential document and should fully document an invention so that the options for commercialization can be evaluated and pursued.
- **Assessment:** The period in which the ORGS reviews the invention disclosure, conducts patent searches (if applicable), and analyzes the market and competitive technologies to determine the invention's commercialization potential. This evaluation process, which may lead to a broadening or refinement of the invention, will inform a strategy of focusing on licensing to an existing company or creating a new business start-up.
- **Protection:** Patent protection, a common legal protection method, begins with the filing of a patent application with the U.S. Patent Office.

- **Technology Transfer:** Refers to the formal licensing, disclosure, or exchange of technology under the guidance of professionals employed by universities, research foundations, or businesses.
- **Commercialization:** Advancement of the technology and other business investments to develop the product or service. This step may entail further development, regulatory approvals, sales and marketing support training, or other activities.
- **Intellectual Property Committee: A** standing committee, the majority of whom are faculty members along with the Vice President of Finance and Administrative Services (VPFAS) or their representative, appointed by the President based on recommendations of the Vice President for Research and Innovation (VPRI) whose purpose is to provide a forum for discussion of policies and procedures affecting intellectual property and to advise the President, VPRI and ORGS regarding intellectual property matters when called upon, including comment on disputes that may arise regarding the handling of intellectual property matters when called upon, including comment on disputes that may arise regarding the handling of intellectual property and technology transfer and suggestions for policy or procedure changes with respect to this policy. The committee will meet at least twice each year, or more often as called by the President or the VPRI of the ORGS.
- **CMU Resources:** CMU funds (including without limitation, funds derived from outside grants, contributions and research contracts), supplies, facilities, computer systems (hardware and software), space, tangible and intangible property, and personnel, except that, where used herein, the term "use of CMU resources" is not intended to apply to the incidental use of such resources.

Policy

It is the general policy of ORGS to have quarterly meetings to discuss updates to disclose intellectual property, patent prosecution, marketing of protected works/inventions/discoveries, and commercial interest. Commonly, protection and marketing of protected works/inventions/discoveries appears discontinuous based upon external factors such as review by the US Patent Office, work by external counsel, leads discovered on potential commercial interest, market demand, etc. Nonetheless, the ORGS shall endeavor to update inventors on the status of workers/inventions/discoveries at least two times per year and more often as needed.

Intellectual Property Policy: CMU Policy 3-61 defines intellectual property rights inclusive of copyrights, patents, intellectual property disclosures, and royalties generated from licensing and commercialization activities. By comparison, the present policy specifically seeks to address the technology transfer aspect of moving disclosed/protected intellectual property forward to commercial viability. Additional information can also be found in the CMU Inventor's Guide.

Workflow of Intellectual Property to Technology Transfer:

1. Research
2. Pre-disclosure
3. Invention Disclosure
4. Assessment (4-8 weeks)
5. Protection (6-24 months)
6. Marketing (Months to years)
    a. Form a Start-up
    b. License to Existing Business
7. Commercialization
8. Revenue Generation

Maroon = Inventor-led *Gold* = ORGS/CMURC-led

Role of the ORGS in Technology Transfer:

It is the objective of the ORGS to diligently pursue the best opportunities to transfer CMU intellectual property consistent with the missions of the university and for the public benefit. In consultation with inventors, except as provided herein, the ORGS shall have authority for decisions concerning the route of commercializing or transferring

a particular intellectual property, as well as the selection and use of outside resources to assist in commercialization. In some instances, a start-up company may be formed to further commercialize a technology, while in other instances, licensing the technology to an existing company (either exclusively or non-exclusively) may be preferrable. Throughout the process, CMU inventors typically serve as technology consultants, advisors or in some other technical development capacity.

The ORGS generally shall have authority for those agreements that are primarily transfer of university-owned (a) patent rights, (b) computer software and other copyrightable materials (such as electronic materials, written materials, and data) with any associated service agreements, and (c) tangible research property. Responsibility for patent administration, including the retention of patent counsel, is shared by the VPRI and the General Counsel.

Periodically, parties may wish to donate intellectual property rights to the university. Decisions as to whether to accept such donations will be made by the Intellectual Property Committee in conjunction with the VRI, University Advancement, VPFAS, and others as appropriate. The ORGS will be responsible for the assessment, protection, and commercialization (as deemed appropriate) of intellectual property received by the university.

Tangible research property, including models, devices, designs, computer programs and other software, cell lines, antibodies, recombinant materials, laboratory animals, chemical compounds, compositions, formulations, plant varieties, and records that comprise university intellectual property may be distributed outside of the university consistent with applicable laws, policies, and existing license agreements. The ORGS shall set and administer rules regarding transfers to tangible research materials.

Role of the CMURC in Technology Transfer:

The CMURC is an independent, nonprofit business accelerator focused on advancing economic development in Central Michigan. At the time of intellectual property disclosure, the ORGS engages with CMURC to perform a commercialization review and technology readiness assessment. If the disclosed technology is determined to be novel with potential for patentability and commercial interest, the ORGS engages with outside legal counsel for assistance in patent filing and prosecution. Upon successful granting of a patent, the CMURC is engaged a second time in pro-actively marketing intellectual property for licensing or sale to industry.

CMURC staff use many sources and strategies to identify potential licensees and market inventions. Market research can assist in identifying potential licensees. The CMURC also examines complementary technologies and agreements to assist in its efforts. The CMURC may also use its website to post inventions, leverage conferences and industry events, and make direct contacts. Licensees are also identified through existing relationships of the CMURC staff who broaden exposure through contacts obtained from website posting inquiries, market research, industry events and the cultivation of existing licensing relationships.

Public Private Partnership (P3):

At times, CMU may be approached by a private company wishing to engage in a public private partnership (P3). Such partnerships can be beneficial when themes of research and innovation involving academic investigation are desirable. Public private partnership arrangements are unique to each collaboration and will be defined by a collaboration agreement jointly authored by the ORGS, VPFAS, and General Counsel. In such partnerships, CMU facilities and resources are not to be used to underwrite the private company's operations. In instances where CMU facilities and resources may be used in the course of the partnership, appropriate remuneration will be negotiated as part of the collaboration agreement to reimburse the university. Access and use of university physical space (e.g. offices, laboratory space, etc.) will be negotiated as a lease led by the VPFAS and General Counsel.

Royalties and Royalty Distribution:

Commercialization of work protected by CMU which generates royalties are covered under CMU Intellectual Property Policy 3-61. Importantly, revenue generated from commercialization/licensing of tangible research materials will only be distributed *after* costs incurred in the protection, marketing, and licensing of the work/invention/discovery are recovered by CMU.

Administration of Transfers:

Prior to executing any contracts, or commencing any transactions, to transfer or accept any tangible or intangible property, the VPRI/ORGS is responsible for communicating such proposals/plans to the Associate Vice President Financial Services and Reporting (AVPFSR) and Accounting Services. Accounting Services will evaluate the financial and compliance implications of such proposals/plans and share an executive summary with the VPRI, VPFAS and AVPFSR for consideration in the final decision.

Central Michigan University reserves the right to make exceptions to modify or eliminate this policy and or its content. This document supersedes all previous policies, procedures or guidelines related to this subject.

Related Policies and Laws (Add Number & Name of Significantly Related Policy(ies))	
Appendices (Optional)	
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