

UNIVERSITY OF NORTH DAKOTA INTELLECTUAL PROPERTY POLICY

1. GENERAL PRINCIPLES

1.1 It is the policy of the University of North Dakota (UND) to encourage and promote research and scholarship. Some scholarly works, discoveries, advancements, and innovative approaches (collectively defined as intellectual property or IP) have the potential to be further developed into products or services that need to be protected and disseminated. Through this Policy, UND establishes a synergistic model of education, research, service, and economic development.

1.2 This Policy is enacted under the authority of, and is intended to comply in all respects with, Section 611.2 of the Policies of the State Board of Higher Education (SBHE).

1.3 The primary purposes of this Policy are to:

1.3.1 Encourage faculty, staff, students, and others associated with UND to pursue formal protection and/or commercialization of all IP.

1.3.2 Provide clear direction for all involved in the creation, development, management, protection, and dissemination of IP.

1.3.3 Recognize all interests that may emerge with discoveries that have commercial or other valued outcomes.

1.3.4 Facilitate the efficient delivery of technology into practical use for the public benefit, in a manner consistent with applicable law and policy.

1.3.5 Facilitate the creation of appropriate public-private partnerships to achieve commercialization, utilization, and economic development.

1.3.6 Encourage a broad array of mutually beneficial relationships with organizations outside UND to further develop discoveries made at UND.

1.3.7 Protect students' academic progression by limiting the ability of UND to embargo research output longer than six (6) months.

1.4 Unless otherwise provided by law, this Policy applies to all IP produced by UND's faculty, staff, students, trainees, volunteers, or others including IP resulting from:

1.4.1 Work performed by or under the direction of any faculty member, staff, or student, the cost of which was partially or wholly paid for with funds under the control of or administered by UND; and/or

1.4.2 An investigation utilizing UND's facilities, laboratories, or other resources available to such persons because of their status within UND.

1.5 This Policy is a condition of employment at UND and each employee is required to execute a written assignment of intellectual property to UND.

1.6 This Policy shall be administered in accordance with UND's Conflict of Interest Policy and the Ethical Conduct in Scholarship, Research, and Creative Activity Policy.

1.7 The Vice President for Research and Economic Development (VPRED) is responsible for the administration of this Policy. The IP Commercialization Officer (IPO), appointed by the VPRED, is responsible for the creation and implementation of procedures, including dispute resolution procedures, which enable this Policy. The IPO shall provide guidance in all matters related to IP at UND. The Director of the Energy & Environmental Research Center (EERC) may appoint an Intellectual Property Coordinator (IPC) to coordinate IP management with the IPO and who will be responsible for IP consulting and IP disclosure preparation within the EERC.

1.8 UND shall have no less than a perpetual, non-exclusive, and royalty-free right to use, for research, education, and archival purposes, IP that is subject to this Policy and in which UND elects not to retain title.

1.9 While employed at UND, employees shall not use IP that is subject to this Policy in a manner that competes with UND.

1.10 Subject to restrictions arising from obligations pursuant to gifts, grants, contracts, or other agreements with outside organizations, UND shall, for and in consideration of the assignment of IP rights, distribute Cumulative Net Royalties as follows:

Cumulative Net Royalty Distribution	VPRED/Institution	Creator(s)	Unit	Foundation
Retained by UND	50	45	5	0
Assigned to Foundation*	10	45	5	40
Assigned to EERC Foundation**	0	30	0	70

*Including all IP assigned to foundations other than the EERC Foundation, as well as IP generated by non-EERC UND personnel or a combination of EERC and non-EERC UND personnel regardless of the foundation to which such IP is assigned.

**Excluding all IP generated by non-EERC UND personnel or a combination of EERC and non-EERC UND personnel.

"Cumulative Net Royalties" are defined as gross revenue produced by IP less the Costs of IP Protection. Indirect costs, overhead, or other UND or affiliated foundation costs usually associated with the operation of UND or the affiliated foundation not directly attributable to the IP will not be deducted from gross revenue.

"Costs of IP Protection" are the unreimbursed expenses incurred by UND or an affiliated foundation in procuring, protecting, preserving, maintaining, licensing, and commercializing IP and related rights. This includes, without limitation, the costs of securing patent, copyright, or trademark protection in the United States of America and any foreign jurisdiction, including legal fees associated with IP protection, fees for patentability and marketability searches, fees arising out of litigation, fees for legal advice, or any fees or costs directly attributable to the IP. If

significant expenses are anticipated for protection or litigation, gross revenue may be retained for a reasonable amount of time by UND in a reserve fund to cover such expenses, provided that if such reserves are not needed, the funds shall be distributed according to this Policy.

“Unit” is defined as an administrative, academic or research unit of UND.

1.11 When there are two or more creators, each creator shall share equally in the creator's share of Cumulative Net Royalties, unless all creators have agreed in writing to a different distribution of such share. Likewise, where a Unit comprises two or more sub-units, such as a college and a department, each sub-unit shall share equally in the Unit share unless separately agreed to in writing.

1.12 When revenue from two or more pieces of IP is generated through concerted commercialization efforts, the creators shall work in cooperation with the IPO to arrive at an agreed upon allocation of the creators’ respective shares of the Cumulative Net Royalties.

1.13 Cumulative Net Royalties received by UND and its Units shall be used to support UND’s research infrastructure and enterprise, and to further develop, commercialize, and/or protect UND’s IP.

1.14 The ownership of IP created under a sponsorship agreement, federal funding agreement, other agreement, or governed by a material transfer agreement, or other agreement shall be determined by the terms of the agreement. If the agreement is silent on the issue of ownership of IP rights, ownership will be determined under applicable law and this Policy.

1.15 UND may participate in projects with external entities that lead to the development of IP. Ownership rights pursuant to any collaboration or partnership shall, wherever practicable, be addressed in the collaboration or partnership agreement pursuant to this Policy.

1.16 The rights, title, and/or interest in UND’s IP may be assigned or licensed to one or more third parties. In the case of assignments, the assignees must be qualified under applicable law and policies to hold the IP and only the President of UND, or designee, may sign appropriate documentation to transfer IP. Unless approved by the President of UND, no other person or entity shall have joint or shared rights of ownership in UND’s IP.

2 RIGHTS AND OBLIGATIONS OF CREATOR AND UND

2.1 A creator has the right to:

- 2.1.1 Receive timely assistance and guidance from the IPO and/or IPC;
- 2.1.2 Receive notice within six (6) months of UND’s decision on the disposition of any IP disclosed;
- 2.1.3 Receive a share of Net Cumulative Royalties as set forth in this Policy;
- 2.1.4 Receive title to any IP subject to this Policy in the event UND elects not to retain its rights; and
- 2.1.5 Publish research findings in a timely manner provided that an IP disclosure has been made to UND.

- 2.2 A creator, without incurring undue hardship, is obligated to:
 - 2.2.1 Promptly file a complete, thorough, and accurate IP disclosure for all IP subject to this Policy;
 - 2.2.2 Formalize the assignment of ownership of the IP to the appropriate entity at the direction of UND;
 - 2.2.3 Cooperate to delay publication of results as necessary to allow for IP protection;
 - 2.2.4 Cooperate in the preparation and prosecution of all applications;
 - 2.2.5 Promptly notify UND of potential infringement or infringing activities and participate in enforcement actions and proceedings;
 - 2.2.6 Assist with licensing and marketing efforts related to the IP; and
 - 2.2.7 Maintain current contact information with the IPO or IPC.

- 2.3 UND has the right to:
 - 2.3.1 Assign to the creator rights, up to and including full ownership, of any IP subject to this Policy;
 - 2.3.2 Assign to an affiliated foundation the rights or interests of any IP owned by UND;
 - 2.3.3 Practice for itself any IP owned by UND, whether by making, using, licensing, selling, copying, or distributing the subject matter thereof, and/or exclude others from doing so, subject to any third party agreements; and
 - 2.3.4 Reserve no less than a perpetual, non-exclusive and royalty-free right to use, for research, education, and archival purposes, IP that is subject to this Policy.

- 2.4 UND is obligated to:
 - 2.4.1 Make faculty, staff, students, trainees, volunteers, and others aware of this Policy;
 - 2.4.2 Provide timely assistance and guidance to the creator(s);
 - 2.4.3 Determine the disposition of IP within six (6) months after disclosure;
 - 2.4.4 Expedite formal IP protection procedures as needed;
 - 2.4.5 Distribute, at least annually, revenue received by UND for any IP according to this Policy; and
 - 2.4.6 Notify the creator(s) of significant developments regarding IP.

- 2.5 The mutual obligations set forth above shall not terminate upon separation of the creator's employment from UND.

- 2.6 Creators shall not use UND's name in connection with subsequent development, use, or marketing of IP. Assignments, license agreements, and other transfers of rights or ownership in IP to third parties shall include this limitation.

3. COPYRIGHT POLICY

3.1 Except as follows, it is the policy of UND that an employee who creates a work, including a work for hire, shall be deemed to acquire copyright ownership in the work.

3.1.1 UND shall retain copyright ownership in works for hire created by an employee at the specific direction of UND.

3.1.2 An employee shall assign to UND copyright ownership of works created at the specific direction of UND that do not otherwise qualify as works for hire.

3.1.3 UND shall retain copyright ownership in works for hire that are subject to restrictions in gifts, grants, contracts, or other agreements that require UND to retain or otherwise dispose of such copyright.

3.1.4 UND shall retain, or employees shall assign to UND, copyright for original works which are incidental to or necessary for the practice of an invention owned by UND under this policy.

3.1.5 Nothing in this Policy shall prohibit an employee from, in the case of a work that is not a work for hire, assigning copyright ownership of the work to UND or in the case of a work for hire, permitting UND to retain copyright ownership.

3.1.6 UND shall retain, or employees shall assign to UND, copyright in works used or intended to be used solely or primarily by the Department of Athletics.

3.2 UND shall be responsible for administering all rights in works in which copyright is owned by UND.

3.3 Unless otherwise agreed, works in which copyright is owned by employees are the sole responsibility of the owners.

3.4 In the creation of a work in which UND does not own copyright, including a work for hire where ownership is vested in the employee by this Policy, the employee shall be obligated to reimburse UND out of any royalties earned thereon, up to the fair market value of any significant use of UND resources as defined by SBHE Policy.

3.5 UND may at any time decide to relinquish, or not to secure, copyright in a work that UND is otherwise entitled to own under this Policy.

3.6 All transfers of ownership in copyright shall be in writing.

3.7 Except as follows, UND shall not be entitled to reimbursement arising out of, or otherwise claim rights in works prepared by students.

3.7.1 When there has been a significant use of UND resources, Section 3.4 of this Policy shall apply as if the students were employees.

- 3.7.2 As a condition of study or a degree award, each student shall grant to UND a non-exclusive, royalty-free, non-commercial license to reproduce and publicly distribute, including by electronic means, copies of the student's work in which the student retains copyright.
- 3.7.3 Ownership of copyright in works that are prepared by students, in whole or in part with financial support in the form of wages, salaries, stipend, or grants from funds administered by UND, shall be determined in accordance with the terms governing the financial support. In the absence of such terms, copyright in such works shall become the property of UND.

4. TRADEMARK POLICY

4.1 UND shall maintain a portfolio of trademarks and service marks that are used in any manner to identify the Institution in conjunction with good and services, including goods or services offered by one or more Units or in course of UND's business activities.

4.2 UND shall be listed as the owner of any trademark or service mark for which an application for registration is filed. Trademarks and service marks shall be filed, prosecuted, registered, and maintained by UND at the institution's expense. UND prefers to secure federal trademark and service mark registrations, but it reserves the right to secure one or more state registrations.

4.3 Any transfer of ownership in a trademark or service mark to or from UND must include all rights in the mark, including good will.

4.4 UND may license to a third-party rights in one or more trademarks or service marks owned by the institution. Any such license must, at a minimum, reserve to UND the express right to monitor and supervise the use by licensee of the mark(s).

4.5 Except in the case of trademarks and service marks used or intended to be used solely or primarily by the Department of Athletics, trademarks and service marks developed by faculty, students, and staff of UND shall, where practicable, be treated in the same manner as other forms of IP.

4.6 The IPO shall establish a procedure in which the creator(s) of a trademark or service mark owned by UND are recognized and identified for purposes of complying with this Policy.

5. PATENT POLICY

5.1 All rights to and interests in inventions, patent-pending and patented, shall be determined as follows:

- 5.1.1 Inventions resulting from work, research, or investigation conducted in the course of the creator's employment at UND shall be owned by UND.

- 5.1.2 Inventions resulting from work created by a UND employee outside the scope of employment and without the use of institutional resources belong to the employee.
- 5.1.3 UND may not claim any rights to, or any ownership interest in, inventions developed solely by students unless:
 - 5.1.3.1 The student has received financial support from UND in the form of wages, salary, stipend, or grant funds for the research leading to the development of the invention;
 - 5.1.3.2 The invention was developed in cooperation with other students or UND employee(s) as part of a cumulative classroom project utilizing UND resources; or
 - 5.3.1.3 The work leading to the invention was funded by a sponsorship agreement, federal funding agreement, other agreement, or governed by a material transfer agreement that restricts ownership of the invention.
- 5.1.4 To protect students' academic progression, UND may not impose an embargo greater than six (6) months on research output, unless otherwise agreed upon in writing.