

1. PURPOSE

As with any institution of higher learning, Sam Houston State University is committed to the creation and dissemination of information. To that end, the faculty and staff are expected to engage in scholarly and creative activity. This policy outlines the rights of the Sam Houston State University employee in terms of intellectual property. The Intellectual Property Policy of Sam Houston State University is governed by the *Rules and Regulations* of The Texas State University System. To the extent that provisions herein may vary from the *Rules and Regulations*, the latter shall govern. These policies apply to all persons, including employees and students, using the facilities of Sam Houston State University.

2. DEFINITIONS

- 2.01 Copyrightable work shall include but is not limited to any copyrightable material as defined by law. Examples include printed material including journal articles, textbooks, and reviews; works of art including paintings, sculpture, musical or dramatic productions; lectures, course material including lecture manuals, and technical works including computer software or databases, audio and visual material.
- 2.02 Patentable works shall include but are not limited to discovery, invention, process, composition of matter, article of manufacture, know-how, design, model, technological development, and any mark used in connection with these items.
- 2.03 Intellectual property includes all copyrightable works, inventions, and patentable works.
- 2.04 The inventor, originator, or discoverer shall include faculty, staff, administrators, students, or groups thereof that use funds, facilities, or other resources of the University as the authors, creators, or inventors of intellectual property.
- 2.05 The University will refer to Sam Houston State University.

3. COPYRIGHT POLICY

- 3.01 Copyright is the ownership and control of the intellectual property in original works of authorship that is subject to copyright law. The purpose of the Sam Houston State University policy is to outline the respective rights which

members of its faculty, staff, and student body have in copyrightable materials created by them while affiliated with the University.

3.02 All rights in copyright shall remain with the creator of the work except as otherwise provided by Section 3.03 of this policy.

3.03 Ownership of Copyright

- a. The University nor the System claim no ownership of fiction, popular nonfiction, poetry, music compositions, or other works of artistic imagination that are not University works. For other materials that are totally faculty generated with no University equipment or aid other than that routinely used by faculty in duties associated with teaching, the faculty member holds the copyright and complete intellectual property rights.
- b. If the employee work is contracted in writing by the University, on a work-for-hire basis, the University then owns the copyright and all benefits of the materials.
- c. Copyright of all materials (including software) that are developed with the significant use of funds, space, equipment, or facilities administered by the University, including but not limited to classroom and laboratory materials, but without any obligation by the University to others in connection with such support, shall be held by the University. The provision of office or library facilities alone shall not be construed as providing "substantial resources," which shall include, for example, the purchase of new technology software or equipment not normally needed for the employee's duties, and/or a substantial monetary award explicitly for the creation of the work.
- d. Copyright ownership of all material (including software) that is developed in the course of or pursuant to a sponsored research or support agreement (i.e., an agreement which provides funds, space, equipment, or facilities for research purposes) shall be determined in accordance with the terms of such agreement, or, in the absence of such terms, the copyright shall be held by the University. The agreement may grant the employee a non-exclusive educational license allowing the employee to share royalties from third parties using the materials.

3.04 Mediated Coursework/Courseware

- a. Mediated courseware includes, but is not necessarily limited to, instructional materials delivered over the Internet, synchronous or asynchronous video or audio courses, course or instructional support materials.
- b. Copyright of mediated courseware developed without specific direction or significant support of the University shall remain with the employee. No royalty, rent, or other consideration shall be paid to the employee or former employee when that mediated courseware or a modification thereof is used for instruction by the University. The employee or former employee shall take no action that limits the University's right to use the instructional materials and shall provide written notice on the courseware itself of the University's right of use. See Chapter V, Paragraph 4.75 of The Texas State University System *Rules and Regulations* for the policy on noncompetitive use of employee-owned, mediated courseware.
- c. Copyright of mediated courseware, developed at the specific direction or with the substantial resources of the University, shall be jointly held by the University and the employee, unless otherwise specified at the time of commissioning of the work, and shall not be used without written consent of the University. The University shall have the right to modify the courseware and decide who will utilize it in instruction. Royalties or revenues generated from the licensing of such mediated courseware may be jointly shared with the employee. The University may specifically agree to share control rights with the employee.

3.05 Distribution of Copyright Royalties

- a. Creators of copyrightable material not owned by the University, or to which the University has relinquished any ownership claim, own the copyrights in their works and are free to publish them, register the copyright, and receive any revenues which may result therefrom.

- b. Royalty income received by the University through the sale, licensing, leasing, or use of copyrightable material in which the University has a property interest will normally be shared with the author and the University where the material originated.
 - (1) The net royalties or other net income received by the University will, in most instances, be distributed under a formula of fifty percent (50%) to the author and fifty percent (50%) to the University.
 - (2) Any distribution which grants the author more than fifty percent (50%) of net royalties shall require approval of the Board of Regents.
 - (3) In the event of multiple authors, the proper distribution of the fifty percent (50%) author's share shall be determined by the University President, as appropriate.
 - (4) The disposition of the fifty percent (50%) dedicated to the University is within the discretion of the University President.
- c. In the event that an author contributes a personal work to the University, a written agreement accepting such contribution shall be executed. The terms of the agreement shall include a statement governing the division of royalties between the University and the author.
- d. In cases of extramural funding, the terms of the funding agreement shall govern the division of any royalties that may result from commercialization of materials resulting therefrom. In the event that the funding agreement vests royalty rights in the University, and does not provide any royalty share for the author, the author shall be entitled to the same proportionate share he or she would have received if the work had not been extramurally funded. Such a royalty payment to the author, however, may not violate the terms of the funding agreement. Such share shall be a proportion of whatever share is owned by the University under the terms of the funding agreement and this policy.

- 3.06 Revision of Materials. Materials owned by the University under the terms of this policy shall not be altered or revised without providing the author a reasonable opportunity to assume the responsibility for the revision. If the author declines the opportunity to revise such material, the assignment of responsibility for the revision will be made by the President.
- 3.07 Withdrawal of Materials. Materials owned by the University shall be withdrawn from use when the University in consultation with the author deems such use to be obsolete or inappropriate. No withdrawal or other discontinuance shall take place that would violate the terms of any licensing or other agreement relating to the materials.

4. PATENT POLICY

- 4.01 Sam Houston State University is dedicated to instruction, research, and public service. It is the policy of the University that its faculty, staff, and students carry out their scholarly work in an open and free atmosphere and freely publish their obtained results. The University recognizes that patentable inventions and discoveries may arise on occasion in the course of scholarly work conducted by the employees and students of its University. It is the purpose of this policy to insure that such inventions and discoveries are used and controlled in a fashion that maximizes their benefit to the public, the inventor, and the University.
- 4.02 Applicability. This policy shall apply to all persons employed by the University and to anyone using facilities owned or under the supervision of the University in connection with the development of a patentable product.
- 4.03 Condition of Employment and Enrollment. The patent policy of Sam Houston State University, as consistent with The Texas State University System policy and as amended from time to time, shall be deemed to be a part of the conditions of employment of every employee of the University, including student employees, and of the conditions of enrollment and attendance by every student at the University.
- 4.04 Ownership. Except as otherwise described in this policy, every invention or discovery or part thereof that results from research or activities carried out at the University, or that is developed with the aid of the University's facilities, staff, or through funds administered by the University, shall be the property of the University.

- 4.05 Inventions Made on Own Time. Inventions or discoveries made by University employees or students in their personal time and not involving the use of University facilities are the property of the inventor except in case of conflict with any other applicable agreement.
- a. For purposes of this policy, an individual's "personal time" shall mean time other than that devoted to normal or assigned functions in teaching, extension, University service, or direction or conduct of research on University premises or utilizing "University facilities."
 - b. The term "University facilities" shall mean any facility, including equipment and material, available to the inventor as a direct result of the inventor's affiliation with the University, and which would not be available to a non-University individual on the same basis.
 - c. Persons who claim that inventions or discoveries are made on personal time and without the use of University facilities have the responsibility to disclose all such inventions to the University in accordance with the disclosure procedures applicable to inventions made on University time or with the use of University facilities. It shall be the responsibility of the inventor to demonstrate the basis of the inventor's claim that only personal time and no University facilities were utilized.
 - d. If the inventor so desires, inventions or discoveries made on personal time and without the use of University facilities may be assigned to the University. Under this arrangement, the procedures will be the same as for inventions or discoveries made by University personnel on University time or with the use of University facilities and materials.
- 4.06 Patents Arising From Government-Sponsored Research. Patents on inventions or discoveries arising from research financed by federal, state, or local government may be controlled by the terms of the grants and contracts specified by the government agency sponsoring the research, or by applicable law. In some cases, the sponsoring government agency may claim rights to patents resulting from the sponsored research.
- a. Except as provided by law or by government-supported grants or contracts, or when no patent rights are claimed by the government agency, or when such rights are waived by the government, patents arising from government-sponsored research are controlled by this patent policy.

- b. When a patent arising out of research supported under government grants or contracts is owned by the University, the University will, if requested, agree to a non-exclusive royalty-free license for use of such patent by the sponsoring government agency.
 - c. If such a patent is owned by the sponsoring government agency, the University shall be free to use the invention so covered for its own scientific and educational purposes without payment of royalty or other charge, consistent with applicable law.
- 4.07 Patents Arising From Research Sponsored by Non-Governmental Entities. Sam Houston State University must ensure that its facilities and the results of the work of its employees are applied in a manner which best serves the interests of the public. Likewise, the legitimate interests of a private sponsor who provides financial or other support to research carried out through the University must be considered.
- a. Sam Houston State University normally reserves the right to ownership of patents on inventions or discoveries arising out of research supported in whole or in part by grants or contracts with non-governmental organizations or firms. Contracts or agreements which are entered into between the University and such organizations or firms should contain clauses setting forth such a reservation unless deviations therefrom are requested by the sponsor and approved by the University consistent with the public interest.
 - b. In the interest of fair treatment to the non-governmental sponsors of research, upon request, special provisions may be negotiated which grant ownership of patents arising out of research sponsored by a non-governmental organization or firm to the sponsor of such research. In such cases, the University should: (1) retain the right to use the invention or discovery for its own research, educational, and service purposes without the payment of royalty fees, (2) require the sponsor to use due diligence in the commercial use of the invention, and (3) retain the right to freely publish the results of its research after a reasonable period necessary to protect the rights of the parties and to allow for the filing of a patent application.
- 4.08 University Patent Committee. The President shall appoint a University Patent Committee, consisting of no less than three members, one of whom shall be

designated by the President to serve as chairman of the Committee. Such Committee shall perform the duties delineated in this policy and such other duties as may be assigned to it by the President.

- 4.09 Duty to Disclose Discoveries and Inventions. All individuals covered by this policy have a duty to disclose in writing their inventions and discoveries promptly to the pertinent University Patent Committee.
- a. The duty to disclose arises as soon as the individual has reason to believe, based on his or her own knowledge or upon information supplied by others, that the invention or discovery may be patentable.
 - b. Certainty about patentability is not required before a disclosure should be made.
 - c. Individuals shall execute such declarations, assignments, or other documents as may be necessary in the course of invention evaluation, patent prosecution, or protection of patent rights, to ensure that title in such inventions shall be held by the University, where this policy indicates the University shall hold title, or by such other parties as may be appropriate under the circumstances.
- 4.10 Review by Patent Committee. The University Patent Committee, after receiving disclosure of an invention, shall forward a recommendation to the University President concerning such discovery. Such recommendation shall include: (1) the committee's opinion whether the University has an ownership interest in the invention in question, or whether such invention was one developed on personal time and without use of University facilities; and (2) whether and how the University should assert and exploit its ownership interest in any invention or discovery.
- 4.11 Waiver of University Interests
- a. If the University President, after reviewing the recommendation of the University Patent Committee, concludes that an invention or discovery is one developed on personal time and without the use of University facilities, the President shall advise the inventor that the University asserts no ownership interest in the invention or discovery.
 - b. If the University President, after reviewing the recommendation of the University Patent Committee, concludes that a University should not

assert and exploit its interest in an invention developed on University time or with the use of University facilities, the inventor shall be notified that he is free to obtain and exploit a patent in his own right, and the University shall not have any further rights, obligations or duties thereto except as it may specifically reserve.

- 4.12 Patent Management. The President, or any person designated by the President, is authorized to negotiate with reputable agencies or firms to secure for the University arrangements for the management of inventions and discoveries in which the University decides to assert and exploit its ownership interest.
- a. Such management may include, but is not limited to, competent evaluation of invention and discovery disclosures, expeditious filing of applications for patents, and licensing and administration of patents.
 - b. The University is authorized to administer its own patent management and licensing program without the use of a patent management agent, if it determines that such arrangement may better serve University and public interests.
- 4.13 Licenses. The President may grant licenses for the use of inventions and discoveries in which the University has an ownership interest.
- a. It is recognized under some circumstances the granting of an exclusive license may be appropriate because in the absence of such a condition some inventions or discoveries may not reach the marketplace for the public benefit.
 - b. Normally, an exclusive license may be granted for a period not to exceed five years, although the President may grant a longer period of exclusive license when he deems it advisable.
- 4.14 Royalties
- a. In consideration of the disclosure and assignment of invention rights, the inventor, or the inventor's heirs, successors, and assigns, normally shall receive fifty percent (50%) of the net royalties or other net income arising from an invention or discovery, after a deduction for administrative and patent management costs. Administrative and patent management costs include, but are not limited to, the costs associated with the patenting,

licensing, and protection of patent rights. The remaining fifty percent (50%) of net royalties shall accrue to the University. Special facts concerning an invention or discovery may warrant a different distribution of royalties.

- b. Agreements with respect to royalties shall be in writing and signed by the inventor and the President of the University.
- c. Any agreement which grants the inventor more than fifty percent (50%) of the net royalties shall require approval of The Texas State University System Board of Regents.

4.15 Disposition of Income. In the disposition of any net income accruing to a University from patents, first consideration will be given to the promotion of research.

4.16 Avoidance of Conflicts

- a. Any employee shall report in writing to the University President, or his designee, the name of any business entity as referred to therein in which the person has an interest or for which the person serves as a director, officer, or employee and shall be responsible for submitting a revised written report upon any change in the interest or position held by such person in such business entity. These reports shall be accumulated in the office of the President (or designee), who shall immediately thereafter file his report with the System administration. Upon approval by the Board of Regents, the report shall be submitted to the Governor and Legislature as required by the *Texas Education Code*, Section 51.912.
- b. Prior to signing any consulting agreement that deals with patent rights, trade secrets, or the like, where any University time, facilities, materials, or other resources are involved, University personnel and students must bring the proposed agreement to the attention of the appropriate administrators of the University and either obtain a waiver of University rights or otherwise modify the consulting agreement to conform with this policy, as is determined by the University in its discretion.

4.17 Equity Interests

- a. Owned by the University. In agreements with business entities relating to rights in inventions and discoveries owned by the University, the

University may receive equity interests as partial or total compensation for the rights conveyed.

- b. Owned by an Employee. In accordance with *Texas Education Code*, Section 51.92, and subject to review and approval by the President of the University, employees of Sam Houston State University who conceive, create, discover, invent, or develop inventions or discoveries may hold an equity interest in a business entity that has an agreement with the University relating to the research, development, licensing or exploration of those discoveries or inventions.
- c. The University may negotiate, but shall not be obligated to negotiate, an equity interest on behalf of any employee as a part of an agreement between the University and a business entity relating to inventions and discoveries conceived, created, discovered, invented, or developed by the employee and owned by the University.
- d. Dividend income and income from the sale or disposition of equity interests held by the University pursuant to agreements relating to inventions and discoveries shall belong to the University and shall be distributed in accordance with the provisions of this policy. Dividend income and income from the sale or disposition of an equity interest held by a University employee pursuant to an agreement between the University and a business entity relating to rights in inventions and discoveries conceived, created, discovered, invented, or developed by such employee shall belong to the employee.

4.18 Business/Management Participation

- a. By Employees. Any University employee who conceives, creates, discovers, invents, or develops an invention or discovery shall not serve as a member of the board of directors or other governing board, or as an officer or an employee (other than as a consultant in accordance with University and Regent policies and regulations) of a business entity that has an agreement with the University relating to the research, development, licensing, or exploitation of that invention or discovery without prior review and approval by the President of the University.
- b. For the University. When requested and authorized by the Board of Regents, an employee may serve on behalf of the Board as a member of the board of directors or other governing board of a business entity that

has an agreement with a University relating to the research, development,
licensing, or exploitation of inventions and discoveries.

APPROVED: /signed/
James F. Gaertner, President

DATED: 3/16/09

CERTIFICATION STATEMENT

This academic policy statement (APS) has been approved by the reviewer(s) listed below and represents SHSU's Division of Academic Affairs' policy from the date of this document until superseded.

Original: January 30, 2009 Review Cycle: January 1, ONY*
Reviewer(s): Academic Policy Council Review Date: January 1, 2011

Approved: /signed/ Date: 3/6/09
David E. Payne
Provost and Vice President
for Academic Affairs

***ONY = Odd Numbered Year**