**Intellectual Property Procedures**

This Procedure, implemented pursuant to the University of North Dakota (UND) Intellectual Property Policy (enacted in June 2011, and in its revised form June 2012), serves as a guide to the UND community in meeting the disclosure and reporting requirements of the Institution, the State Board of Higher Education (SBHE)[[1]](#footnote-1), and cooperating agencies. The Office of Intellectual Property Commercialization and Economic Development shall be available to provide guidance in all matters related to Intellectual Property (IP) at UND.

**I. Funding Agreements that may give rise to potential Intellectual Property (IP)**

Prior to executing any contract that binds UND or an employee with regard to IP, such contract will be submitted to the Intellectual Property Officer (IPO) or designee, who with guidance from General Counsel, will ascertain if the contract is acceptable and consistent with policies of UND, SBHE, state law, and if appropriate, federal law. Such agreements include, but are not limited to, confidentiality, non-disclosure, material transfer, consulting, and like agreements containing provisions for proprietary information and sponsorship agreements or development, licensing, or like agreements containing provisions for IP. When appropriate, the IPO will consult with Affiliated Foundations to determine if the proposed terms are consistent with existing agreements entered into by the Affiliated Foundation with UND.

It is the responsibility of employees and Units to provide the IPO or the Energy & Environmental Research Center (EERC) Intellectual Property Coordinator (IPC) with any and all IP agreements, which include consulting, confidentiality, material transfer, licensing, and research agreements, to ensure that the terms of the agreements with third parties do not conflict with their commitments to UND. Each employee shall make the nature of his or her obligations to UND clear to any third party for whom the employee expects to consult. Specifically, the scope of the consulting services must be distinguished from the scope of research commitments to UND. This subsection shall comply with and be subject to any and all UND policies regarding conflicts of interest.

**II. Best Practices for Inventors**

*Memorialization of Intellectual Property* Inventors are responsible for recording and maintaining the discovery records of all potentially patentable discoveries derived through their activity at UND. Bound, dated, and witnessed documentation is the encouraged method for maintaining such records. Inventors shall discuss with the IPO or designee the proper method for maintaining records of invention.

*Public Disclosure* Any faculty member, staff member, or student of UND shall disclose the invention promptly upon discovery and consult with the IPO (or IPC for EERC) prior to making any public disclosure of an invention, e.g., meetings, publications, and discussions with non-UND third parties.

*Agreements* Faculty, staff, or students shall not make representations to third parties that compromise UND’s ability to own or license UND IP.

**III. Disclosure and Review of Inventions**

The following section applies only to intellectual property where it is anticipated that an invention will be protected by a patent. Except in the case of the EERC, a Creator shall make a written disclosure of any actual or prospective IP to the IPO immediately after its creation. In the case of Inventions, the Creator(s) shall submit an IP Disclosure to the IPO at least sixty (60) days prior to any scheduled event, potentially resulting in public disclosure.

A Creator will file, to the best of their knowledge, a complete, thorough, and accurate IP disclosure on the form provided by UND at **http://und.edu/research/research-economic-development/research-forms.cfm**. The Creator must sign an assignment document clearly assigning ownership rights to UND.

If the Invention was made with funds provided by the federal government, UND will notify the appropriate federal agency that provided grant support of the IP Disclosure, in compliance with 37 CFR Part 401 and 35 U.S.C. sections 200-212. If the Invention was made with funds provided by a Sponsorship Agreement, UND will notify the sponsor as appropriate for the Sponsorship Agreement.

The IPO will assign a unique UND identifier for each IP disclosure received and review each IP disclosure before committing UND resources or other funds in the pursuit of a patent, protection of a trade secret, protection of copyright, trademark, or any other form of protection of IP. An evaluation by the IPO should consider all aspects of the IP, prior art search and assessment, market potential, prospective licensees, financial return, obligations to sponsoring parties, previous public disclosures, and other factors impacting the investment of time and funds to complete IP protection. This review may entail the commissioning of market, patentability, or similar studies at the sole discretion of the IPO. As appropriate, the IPO may consult with officials within the Unit, as defined in the IP Policy as an administrative, academic or research unit of UND, to confirm sources of funding, ascertain future research plans that may involve the Invention and potential sponsors of the research, and determine possible plans for the commercialization of the IP.

A decision on the disposition of the IP will be rendered by the IPO within six (6) months of the receipt of each disclosure. During their review, the IPO will investigate and identify any issues needed to make a disposition decision. They will then communicate any outstanding issues to the Creator that might delay the process. The following decisions can be made with regard to the IP during this review process:

• If UND elects to retain title, UND may file for IP protection.

• If UND elects not to retain title and is not subject to release by any funding agencies, UND will offer to assign title to the Creator(s). Creator must respond in writing whether or not they wish to have title assigned to them.

• To make a decision on the disposition, the IPO may require that the Creators provide additional supporting information. An additional six (6) month period for review will commence once the additional documentation is provided to the IPO.

At the EERC, the IPC will review the disclosure to confirm that it adequately describes the discovery and is complete. The IPC will submit to the IPO a written request to transfer the IP to the EERC Foundation. The IPO will examine the transfer request and the related IP disclosure. During the review, the IPO may request additional information from the Creator(s) and/or the EERC. Following the review, the IPO may forward a request to the President of UND with a recommendation for action. The President shall review the request for transfer of the IP to the EERC Foundation. The President may return the signed forms to the IPO, request the IPO obtain additional information, or decline to sign the transfer request, in which case UND continues to manage the IP.

**IV. Assignment to University Affiliated Foundations**

A request from an Affiliated Foundation to receive specific IP rights is directed to the IPO, and may be made at any stage of IP development, including at the initial disclosure of IP to UND. Any such request shall include a copy of the pertinent IP Disclosure(s) to allow the IPO to determine the scope of the IP and its relationship to other IP held by UND. The IPO shall review the transfer request and forward the request to the President of UND with a recommendation for action or, if necessary, request additional information for clarification. Factors that the IPO should consider in the review of any request include:

* Existing agreements between the Institution and the Affiliated Foundation
* The need for expediency of the transfer to facilitate the Affiliated Foundation’s ability to protect, develop and commercialize the requested IP
* The business needs of the Institution, a Unit of UND, and the Affiliated Foundation
* The source(s) of funding of the research which resulted in the requested IP
* Contractual obligations to sponsors of the research which resulted in the requested IP
* Opportunities for commercialization of the requested IP
* Whether the subject of the requested IP is related to other IP which has already been transferred to the Affiliated Foundation
* Whether the subject of the requested IP is related to other IP which UND, as title holder, is seeking to commercialize

The assignment of IP rights from UND to the Affiliated Foundation shall convey, at a minimum, all right, title and interest to the transferred IP together with any technical information, whether patentable or not, and any patents or patent applications derived there from including, but not limited to, substitutions, divisions, continuations, continuations-in-part, renewals, reissues and extensions, including the right to apply for foreign patents in the name of the Affiliated Foundation and to claim priority in and to foreign applications. Should the Affiliated Foundation file one or more continuations-in-part and/or patent applications on improvements to the transferred IP, the Affiliated Foundation shall provide notice to the IPO of each such application, including a complete written description of the improvement as well as a complete copy of each application and filing receipt.

Due to individual Creator alignment or affiliations, divergent Creator preferences, or competing transfer requests, rights in a single property may be readily assignable to two or more Affiliated Foundations. In such cases, UND may choose to retain the requested IP, assign the requested IP to a single entity upon weighing the factors set forth in this section, or assign joint interests in requested IP to the appropriate Affiliated Foundations in proportion to each Creator’s contribution. In the case of joint ownership, the IPO and a designated representative from each of the Affiliated Foundations will meet and determine which entity should have the lead in protecting, managing and commercializing the jointly owned IP, as well as how licensing revenue shall be allocated and distributed among the Creators, Affiliated Foundations and UND, provided the Creator share shall be no less than otherwise provided by the Intellectual Property Policy.

When appropriate, UND and Affiliated Foundation will execute necessary confidentiality agreements to cover the exchange of information.

Prior to assignment to the Foundation, UND will take all steps to perfect title in the IP to be transferred. Upon transfer of IP to an Affiliated Foundation, UND will provide the Affiliated Foundation copies of all documents related to the transferred IP.

**V. Commercialization Plan**

Each invention to which UND retains title shall be evaluated for its marketing potential. The IPO will outline a commercialization plan in cooperation with the Creator(s), when appropriate. The commercialization plan should give careful consideration to steps that could be taken to protect the value of the IP, including the appropriate use of confidentiality agreements, material transfer agreements, and other IP related agreements.

**VI. Licensing**

At any time subsequent to the disclosure of IP to UND, the rights, title, and/or interest therein may be assigned or licensed to one or more third parties, subject to the provisions of Section V. In the case of assignments, the assignees must otherwise be qualified under applicable law and policies to hold the IP, and only the President of UND, or a designee, may sign appropriate documentation affecting such transfers.

UND authorizes the IPO to establish a means of administering and managing its IP assets that expedites their commercialization, provides means for defense of IP, maintains the secrecy of IP when necessary, and provides financial returns to the Creator(s) and UND. The IPO will be responsible for negotiating, reviewing with General Counsel, and approving all agreements relating to IP rights to which the UND is a party. Authority to sign licenses or like agreements on behalf of the UND shall be vested in the IPO and the Vice President for Research (VPR) and their designees.

In addition, no Creator(s) shall represent UND in negotiating licenses for IP without the express written consent of the IPO. Failure to comply with this policy may result in disciplinary action up to and including dismissal from employment at UND.

**VII. Collection of Licensing Revenue and Distribution of Cumulative Net Royalties**

Unless assigned to an Affiliated Foundation, the IPO will be responsible for the collection of all licensing revenue and the payment of all costs of IP protection, as appropriate, upon approval by General Counsel, and the distribution of Cumulative Net Royalties pursuant to the UND Intellectual Property Policy. Documentation of the distribution of funds to the Creator(s), UND, any cooperating agencies, and other parties will be prepared by the IPO or Affiliated Foundation, as appropriate, and signed by all parties. An Affiliated Foundation will provide UND a copy of such documentation if requested.

All Cumulative Net Royalties will be distributed according to the UND Intellectual Property Policy that was in place at the time the invention was formally disclosed to the IPCED office, provided that all licensed IP was disclosed under the same acting policy.  In the event that the licensed technology comprises IP disclosed at various times under differing policies, the IPO will work with the Creator(s) to determine which individual distribution schedule will be most mutually beneficial to UND and the Creator(s).

Revenue generated through commercialization of goods or services, including technology, under one or more trademarks owned by UND that is attributable solely to such trademark(s), such as trademark licensing fees and trademark royalties, shall be deemed licensing revenue for purposes of the Policy and distributed pursuant to the UND Intellectual Property Policy. In the event that such revenue is not solely attributable to one or more trademarks, and where a Creator of the trademark(s) is not otherwise entitled to proceeds pursuant to the UND Intellectual Property Policy, the affected Creators shall work in cooperation with the IPO to arrive at an agreed upon allocation of the Creator share.

If a Creator(s) desires to waive all or a portion of the Creator(s) share of the revenues by redirecting them to a UND entity, the Creator(s) is(are) free to do so. However, the compliance with any and all tax laws and regulations, which may change over time, is the responsibility of the Creator(s) and not UND. Creator(s) are strongly encouraged to seek the outside counsel from a tax professional on these matters. If Creator(s) elects to permanently allocate a portion of their share to a unit of UND, they must complete and submit a “Waiver of Royalty Distributions” form prior to UND’s first receipt of any license revenue for the given IP. Implications of this process can be found on the Office of Intellectual Property Commercialization & Economic Development website – und.edu/ipcommercialization.

**VIII. Dispute Resolution**

Pursuant to SBHE policy 611.2, any Creator or employee aggrieved by the Policy, or an act or assertion of rights by UND in accordance with the Policy, may submit a written grievance to the VPR within twenty (20) business days of the perceived aggrieved act. This is the exclusive means for resolving disputes relating to IP.

The grievance must clearly identify the IP at issue, identify with particularity the specific provisions of the Policy that apply, provide a detailed explanation of the basis for the claim, identify persons having knowledge of the basis for the claim and provide a statement describing the relief sought.

At the discretion of the VPR, a Review Committee may be convened. The VPR will consult with the Chair of the University Senate to appoint a three-person Review Committee, the members to have reasonable familiarity with the subject of IP and be without conflict of interest. At least two members of the Review Committee must be tenured faculty at the rank of associate or full professor. A member of the Review Committee may be appointed from outside UND if, in the judgment of the VPR, the circumstances justify such an appointment.

Appointment of a Review Committee will be made within twenty (20) business days of receipt of the grievance or at mutually agreed time as agreed upon by both the aggrieved and VPR.

Before the Review Committee is convened, the VPR will notify the parties of any special procedures that will be used to examine the issue. Further, the parties will be informed of the proposed membership of the Review Committee for the purpose of identifying, in advance, any real or potential conflicts of interest. Any real or potential conflicts of interest will be resolved by the VPR.

At its first meeting, the Review Committee will elect a chairperson to handle procedural and administrative matters. Each member will be a voting member. Every effort will be made to complete the review within thirty (30) business days; however, it is acknowledged that some cases may render this time period difficult to meet. In such cases, the Review Committee must prepare a progress report for the VPR that includes the reasons for the delay and an estimate of the additional time necessary for completion of the dispute process.

Upon completion of its review, the Review Committee will submit a report to the President. A copy of the report will be mailed to the parties via certified mail. The report must contain a detailed description of the grievance; identify and summarize the records and information requested and reviewed; provide a finding, and summarizes the facts and the analysis, which support the conclusions and recommendation; and provide the President with a recommended resolution.

The decision of the President is final and will be sent to the parties and the VPR via certified mail. IPCED is the office of record and will maintain all records of disputes.

If the VPR decides not to convene a Review Committee, written notice of this decision will be provided to the grievant. The grievant will then have ten (10) business days in which to petition the President, in writing, to request that a Review Committee be convened. If the President does not concur with the decision of the VPR, a Review Committee will be convened as set forth above.

In this dispute process, all decisions of the President are final.

1. [↑](#footnote-ref-1)