



## Policy 7.6 Intellectual Property Policy

**Responsible Official:** VP for Research Administration

**Administering Division/Department:** Technology Transfer

**Effective Date:** March 15, 2011

**Last Revision:** July 14, 2015

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### Overview

Emory encourages faculty to pursue areas of study of their choice, to share the results of their intellectual efforts with colleagues and students and recognizes their need to retain traditional academic freedoms in the conduct of scholarly and scientific work. Although the University does not undertake research or developmental work principally for the purpose of commercial application, patentable inventions and other commercializeable works sometimes result from the activities carried out by Emory Personnel. To address these needs and support the University's mission and its commitment to use knowledge to improve human well-being, the University has established this Intellectual Property Policy.

### Applicability

This policy applies to all Emory personnel, and in specific circumstances detailed within this policy, visitors and students.

### Policy Details

#### 7.6.01 Ownership of Intellectual Property

Emory University owns all Intellectual Property created or developed by Emory Personnel that is related to the Emory Personnel's normal duties (including clinical duties), course of studies, field of research or scholarly expertise, or was made with the use of Emory Support. All Emory Personnel hereby assign their rights in any such Intellectual Property to the University.

A. Scholarly Works. In keeping with tradition, Emory waives its ownership rights in certain scholarly Copyrightable Works, such as books, articles, plays, musical compositions, and artistic creations, except under circumstances in which the Copyrightable Works were:

- Specifically assigned and funded by Emory;

- Developed with the use of substantially more Emory Support than is normally provided to Emory Personnel; or
- Developed under an externally funded agreement with Emory, unless otherwise provided in the agreement.

Emory Personnel should note that Scholarly Works may be subject to other policies of the University outside the scope of this Intellectual Property Policy.

B. Consulting Intellectual Property. Emory University owns all Intellectual Property created or developed by Emory Personnel that is related to the Emory Personnel's normal duties (including clinical duties), course of studies, field of research or scholarly expertise, or was made with the use of Emory Support, including when such Intellectual Property is conceived or reduced to practice in the performance of services under a Consulting Agreement. Emory may surrender its claim to such Intellectual Property under certain circumstances, which include, among others, that no Emory Support was utilized in conception or reduction to practice of the Intellectual Property and that the Emory Personnel receives no compensation for the Intellectual Property from any third party. In instances where the Director, OTT, determines that granting a surrender is not appropriate, Emory may grant more limited rights to Intellectual Property.

#### **7.6.02 Obligations of Emory Personnel (Including Visitors and Students)**

A. Emory Personnel. All Emory Personnel are bound by this Policy and agree to execute any documents that are necessary to carry out this Policy.

B. Visitors. All Visitors are bound by this Policy and are considered Emory Personnel for the purposes of this Policy.

C. Students. Emory generally does not claim ownership of Intellectual Property created by Students in the course of their education. Student Contributors will own the Intellectual Property they create, except where the Intellectual Property was:

- Specifically assigned and funded by Emory;
- Developed with the use of substantially more Emory Support than is normally provided to Emory Personnel; or
- Developed under an externally funded agreement with Emory, unless otherwise provided in the agreement.

Students that may fall under the exceptions above will promptly disclose to OTT the existence of any Intellectual Property to which they have contributed, and such Students will be deemed Emory Personnel with respect to any such Intellectual Property.

This Policy addresses Intellectual Property only and other considerations and policies may apply to any work being performed by any Emory Personnel or Student, such as considerations under the University Conflict of Interest Policy.

#### **7.6.03 Disclosure of Intellectual Property to OTT**

Emory Personnel will promptly disclose the existence of any Intellectual Property to OTT. The Emory Intellectual Property Disclosure Statement Form is available from OTT. Emory Personnel are encouraged to contact OTT staff with questions. Additional information regarding OTT can be found on the OTT website ([www.ott.emory.edu](http://www.ott.emory.edu)).

OTT will review all disclosures, make a preliminary determination as to the commercial potential of the Technology, and notify the Emory Personnel of its determination as soon as is reasonably possible.

#### **7.6.04 Release or Assignment of Certain Intellectual Property**

At the time of disclosure of Intellectual Property to OTT, or at any time thereafter, Emory Personnel may petition Emory to release or assign ownership of the Intellectual Property. The determination of such petition will be made by the Vice President for Research Administration, in consultation with the Emory Personnel's Supervisors, and OTT. No release or assignment of Intellectual Property will be granted where that release or assignment is inconsistent with rights granted to a third party. No release is effective until signed by Emory's Vice President for Research Administration. Petitions will be processed as soon as is reasonably possible, which shall mean not more than 120 days from the completion of the submission. Under all circumstances, Emory will retain a non-exclusive, royalty-free, perpetual license to use any released or assigned Intellectual Property for research, clinical service, and educational purposes.

#### **7.6.05 Distribution of Cumulative Net Revenue**

The Cumulative Net Revenue received by Emory pursuant to a licensed Technology or Copyrighted Work will be distributed by OTT in accordance with Table 1 "Distribution of Cumulative Net Revenue." Such distribution will take place not less than quarterly, unless otherwise agreed upon. In exceptional circumstances the President of the University shall be authorized to alter or modify the allocation of Cumulative Net Revenue. In order for such modification by the President, the President shall seek information from all relevant parties and those parties shall have the opportunity to provide a detailed description of the issues that could justify such action.

With the exception of the Contributor Share, funds must be used for scientific research purposes or education, as stated in the Bayh-Dole Act and its attendant regulations. Revenues generated from Emory Intellectual Property disclosed to OTT on or prior to the date on which this policy is adopted by Emory's Board of Trustees will be distributed as set forth in the earlier version of this policy or Emory's previous Patent Policy, as applicable. Emory Personnel are not entitled to receive interest on sums deposited into or held in the Patent Clearing Account.

Table 1 - Distribution of Cumulative Net Revenue

	CUMULATIVE NET REVENUE	CUMULATIVE NET REVENUE	CUMULATIVE NET REVENUE
	UP TO \$25,000	UP TO \$4 MILLION	\$4 MILLION AND OVER
CONTRIBUTOR SHARE	100%	33%	25%
DEPARTMENT SHARE	0%	33%	33%
SCHOOL/CENTER SHARE	0%	10%	17%
GENERAL UNIVERSITY SHARE	0%	24%	25%

A. Contributor Share. Emory Contributors to Emory Intellectual Property that was generated, developed or invented by such Emory Contributors are entitled to receive one hundred percent (100%) of the first \$25,000.00 in Cumulative Net Revenue, and thereafter a portion of Cumulative Net Revenue. Emory will assume that all Contributors contributed equally to the development of Intellectual Property, unless Contributors request a different allocation. To be effective, such a request must be made by all Contributors in writing to OTT and signed by all Contributors. Contributors may have the right to designate other individuals who participated in the design and/or development of the Intellectual Property as Contributors by submitting a written request to OTT signed by all Contributors stating the identity of the additional Contributor(s) and allocation of the Contributor Share to each Contributor. If any dispute arises as to the proper allocation of the Contributor Share among multiple Contributors, or as to whether an Emory Personnel is a Contributor, the dispute will be resolved as set forth in Section 7.6.08, Conflict Resolution.

Contributors will be entitled to receive their Contributor Share funds if they leave the employment of Emory. The estate or designated beneficiaries of a deceased Contributor will be entitled to

receive his/her Contributor Share funds. In the event of any dispute or delay arising in the course of probating the estate of a Contributor, Emory will be entitled to retain the Contributor Share until the dispute or delay is resolved.

Emory Personnel receiving Contributor Share funds will be responsible for any personal tax obligations that may arise.

B. Department Share. Generally, the Department Share shall be allocated to the Department in which a Contributor holds his/her primary appointment. If a Contributor holds appointments in more than one Emory Department, the Department Share will be allocated to the Department in which the Contributor holds his/her primary appointment, unless the Supervisor of that Department and the Supervisors of other Department(s) in which the Contributor holds an appointment decide among themselves on a different allocation. In the event the Supervisors cannot agree, the dispute shall be resolved as provided in Section 7.6.08.

A Contributor may direct up to fifty percent (50%) of the Department Share into a discretionary account, the "Account Share", but may not accumulate in this account more than the greater of \$500,000 or one year of lab expenses as defined by the Dean, per license. Use of funds in this account will be subject to the policies established by the Contributor's Department, and must be used for research, education, or scholarly purposes.

Any School/Center administration fees associated with the use of Account Shares or Department Shares in the relevant School/Center will be applied in accordance with the policies of that School/Center.

A Contributor will not be entitled to receive any Account Share funds if s/he leaves the employment of Emory. Account Share funds allocated to a Contributor who has left the employment of Emory will be distributed to the Contributor's Department Share.

C. School/Center Share. The School/Center share will be allocated to the School/Center where the Emory Personnel contributing to the Emory Intellectual Property holds his/her primary appointment. However, if a Contributor holds appointments in more than one School/Center, the School/Center Share may be split between the Schools/Centers in which the Contributor holds his/her appointments, and the Supervisor of the School/Center in which the primary appointment is held and the Supervisors of other Schools/Centers in which the Contributor holds an appointment will decide among themselves on the allocation. Any dispute between such Supervisors shall be resolved as provided in Section 7.6.08.

D. General University Share. A portion of the Cumulative Net Revenue generated by Emory Intellectual Property will be allocated to a General University account. Distribution of these funds will be done upon the review and approval of the President's Cabinet.

#### **7.6.06 Distribution of Equity**

A. Contributor Equity. It is anticipated that certain Emory Intellectual Property will generate revenue in the form of Equity. This section provides the guidelines for the distribution of any Equity that Emory receives in exchange for the grant of rights to Emory Intellectual Property. Equity received by Emory will be distributed according to the distribution formula set forth in Table 1, Column 2 ("Net Revenue up to \$4 million") either from Emory promptly upon receipt from the Commercial Venture, or directly from the Commercial Venture, except that distribution to a Contributor who is also a Founder will occur as described in Section 7.6.06B.

Distribution of such Equity will be consistent with the following policies:

- This Policy;
- University and School/Center Conflict of Interest and Commitment Policies;
- University Conflict of Interest Policy with Respect to Vendors; and

- University and School/Center policies on private consulting by faculty.

B. **Founder Equity.** Emory Personnel who propose to hold Equity in an Emory Start-Up must fully and promptly disclose their proposed relationship with the Emory Start-Up and receive approval in writing from the relevant Supervisor(s) prior to receiving any Equity.

Under certain circumstances, and for limited periods of time, an Emory Personnel may be permitted to engage in activities or hold a position that will cause him/her to incur a fiduciary responsibility to the Emory Start-Up. Permission must be obtained in advance from the relevant Dean(s), after consultation with the Office of General Counsel and OTT.

Emory Personnel may be permitted to hold positions in Emory Start-Ups that do not involve a fiduciary responsibility, unless it is determined that there is a conflict of interest or commitment with the Emory Personnel's primary duties to Emory. For example, Emory Personnel may be permitted to serve as scientific advisors to Emory Start-Ups. At Emory's discretion, a conflict management plan may be implemented. The Emory Start-Up will issue Founder Equity directly to Emory Personnel. Emory Personnel who receive Founder Equity will not receive any portion of Emory Equity. Emory Equity will be divided equally among the Emory Founder's Department (except that no Research and Scholarship Account Share will be permitted), School/Center, and the University.

#### **7.6.07 Intellectual Property Developed with External Funding**

All compensation received by Emory resulting from Emory Intellectual Property developed in whole or in part with funds received from a source outside Emory will be used in compliance with any terms or conditions imposed by the granting agency or source.

#### **7.6.08 Conflict Resolution**

Unless otherwise provided in this Policy, any disputes that arise under this Policy, including inventorship or other ownership rights, will be resolved by the Vice President for Research Administration in consultation with the relevant Supervisors and other appropriate parties. Emory Personnel may appeal the decision of the Vice President for Research Administration to the Executive Vice Presidents, who will make the final decision.

#### **7.6.09 Use of Emory Name, Logo or Trademarks/Service Marks**

Use of Emory's name, logo or marks in any commercial setting requires prior approval from Emory. Requests for such approval should be submitted to the Vice President for Communications, and a decision will be made in conjunction with the Office of the General Counsel.

### **Definitions**

**Author** shall mean any individual who has participated in the creation of a work that is protectable under United States copyright law, 17 U.S.C. §102.

**Commercial Venture** shall mean any legal entity that has licensed or intends to license Emory Intellectual Property for further development or commercialization, except EmTechBio.

**Commercialization Costs** shall mean all expenses incurred for the following:

- Expenses incurred by Emory in protecting any Emory Intellectual Property;
- Expenses incurred from a third party in connection with developing, marketing, or licensing any Emory Intellectual Property; or
- Contractual obligations associated with any Emory Intellectual Property, such as distributing revenues to joint owners or joint inventors who are not Emory Personnel through an Inter-Institutional agreement.

**Consulting Agreement** means an agreement for the provision of consulting or other services by Emory Personnel, in which the parties include the Emory Personnel and a third party that is not an Emory Affiliate.

**Contributor** shall mean any individual(s) who is an Inventor and/or an Author with respect to a specific Intellectual Property, whether or not that Intellectual Property is protected under the patent and copyright laws of the United States.

**Contributor Share** shall mean the portion of Cumulative Net Revenue or Equity received in connection with Emory Intellectual Property allocated to a Contributor to that Intellectual Property for his/her personal use.

**Copyrightable Work(s)** shall mean an original work of authorship fixed in a tangible medium of expression, as described in the Copyright Act, 17 U.S.C §102, such as, but not limited to, books, articles, lectures, musical compositions, films, charts and other visual aids, Software, video/audio tapes, and video/audio broadcasts.

**Cumulative Net Revenue** shall mean the cumulative Gross Revenue generated by Emory Intellectual Property less any Commercialization Costs.

**Department** shall mean any division of Emory University that reports to a School/Center, as defined herein.

**Department Share** shall mean the portion of Cumulative Net Revenue or Equity received by Emory for Emory Intellectual Property, created in whole or in part by a Contributor, which is allocated to an account within the Department in which the Contributor holds his/her primary appointment.

**Emory, Emory University, or University** shall mean Emory University.

**Emory Affiliate** shall mean an affiliate of Emory University.

**Emory Intellectual Property** shall mean Intellectual Property that is either owned by or assignable, in whole or in part, to Emory or its assignee or designee, as provided in this Policy.

**Emory Personnel** shall mean all persons working at Emory University, including but not limited to:

- Members of the faculty, whether tenured, non-tenured, part-time, volunteer, visiting or adjunct;
- Members of the staff whether full-time, part-time, outside consultant or contractor; and
- Post-graduate students who are enrolled in any Emory program, including trainees.

For purposes of this Policy, Emory Personnel also includes any of the above associated with any Emory Affiliate, provided that the terms of the affiliation agreement shall govern where inconsistent with this Policy.

**Emory Start-Up Commercial Venture (Emory Start-Up)** shall mean a Commercial Venture that has licensed or intends to license Emory Intellectual Property as the initial component of its core technology. Emory Personnel may be Founders of Emory Start-Up Commercial Ventures pursuant to this Policy and to other applicable Emory policies concerning conflicts of interest and commitment, including but not limited to the University Conflict of Interest Policy.

**Emory Support** shall mean any resources of Emory, including but not limited to monies from internal or external sources, facilities, space, equipment, services or personnel.

**Equity** shall mean any stock, stock options, warrants, partnership interest, or any other type of ownership interest in a Commercial Venture.

**Founder** shall mean an Emory Personnel who has an instrumental role in the organization or capitalization of an Emory Start-Up. It includes but is not limited to all those obtaining ownership prior to an Initial Public Offering (IPO), or those obtaining ownership subsequently at less than fair market value.

**Founder Equity** shall mean Equity issued to a Founder.

**General University Share** shall mean the portion of Cumulative Net Revenue or Equity received in connection with Emory Intellectual Property and allocated to the General University.

**Gross Revenue** shall mean payments actually received by Emory from a third party for the sale, assignment, or licensing of Emory Intellectual Property. For the purpose of clarity, compensation received for services that are not contained in the value of a license such as administration fees procured from an interinstitutional agreement or equity, such as that received for services or investment, are not considered part of Gross Revenue. Gross Revenue shall include payments identified in an agreement other than those payments designated for past or ongoing patent expenses, but shall not include payments received by Emory in connection with litigation or the resolution of a dispute involving Emory Intellectual Property. The disposition of such payments will be determined by Emory. All litigation expenses, fees and costs will be deducted first from any payments received. If those litigation expenses exceed the amounts of the payments, then they will be the first, prior to any deduction for Commercialization Costs, to be deducted from any Gross Revenue generated from the Emory Intellectual Property that is the subject of the dispute.

**Intellectual Property** shall mean any intangible subject matter for which proprietary rights may be obtained or enforced pursuant to any international, federal, or state law, including, , but not limited to, inventions (whether patentable or not), Copyrightable Works, Trademarks, Service Marks, domain names, trade secrets, trade dress rights, moral rights, formulas, designs, Software, programming code, New Media, intangible rights in machines, compositions of matter and devices, techniques, processes, procedures, systems, formulations, databases and compilations of information.

**Inventor** shall mean any Emory Personnel who is an inventor under applicable United States law of a new and useful process, machine or composition of matter, or any new and useful improvement thereof, whether patentable or not.

**New Media** shall mean digital or electronic media, including but not limited to software, video/audio tapes, CD-ROM, DVD-ROM, Internet-based media, and other multimedia materials that are used for the purpose of education or the dissemination of knowledge, but does not include Technology that may be embodied in the New Media.

**OTT** shall mean the Office of Technology Transfer at Emory University. Its website is at <http://www.ott.emory.edu>.

**Patent** shall mean a legal grant made by the United States government pursuant to 35 U.S.C. §101, et. seq., for certain inventions or discoveries that constitute any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, or a similar grant made by any other government pursuant to the laws of that country.

**Patent Clearing Account** shall mean the account in which Cumulative Net Revenue may be deposited before distribution.

**Research and Scholarship Account Share** shall mean an amount as described in Section 7.6.0(B) above, to be used in accordance with this Policy as a discretionary account directed by a Contributor.

**School/Center** shall mean any undergraduate, professional, or graduate school, or college of Emory University, or any center or unit listed on Schedule A-1.

**School/Center Share** shall mean the portion of Cumulative Net Revenue or Equity received in

connection with Emory Intellectual Property and allocated to the School/Center where the Emory Personnel contributing to the Emory Intellectual Property holds his/her primary appointment.

**Software** shall mean one or more computer programs, including but not limited to source code and object code, and any associated operational procedures, manuals or other documentation, whether or not protectable under United States patent or copyright law.

**Students** shall mean individuals enrolled at Emory who are not Emory Personnel.

**Supervisor** shall mean the Dean, Director, Department Head, Vice President and/ or other individual having direct supervisory authority or responsibility over an Emory Personnel. In the School of Medicine, where approval is required by a Supervisor, it shall include the requirement of approval of the Chair and the Dean.

**Technology** shall mean the tangible and intangible results of research and scholarship and related Intellectual Property rights, whether or not patentable or copyrightable, but excluding Copyrightable Works as defined above. Technology may include, but is not limited to:

- Prototype devices;
- Novel biological materials;
- New chemical compounds;
- Materials having novel optical or electronic characteristics; and
- Software and programming code, where software is not excluded as a Copyrighted Work.

**Trademark** shall mean a word, name, symbol, device or a combination of these used to identify the source or sponsor of a product. Similarly, **Service Mark** shall mean a word, name, symbol device or a combination of these used to identify the source or sponsor of a service.

**Visitors** shall mean an individual who either (1) has assigned duties at Emory or (2) receives Emory Support.

#### Related Links

- Current Version of This Policy: <http://policies.emory.edu/7.6>

#### Forms and Attachments

Policy 7.6-Schedule A-1 : [download](#)

#### Contact Information

Subject	Contact	Phone	Email
Clarification of Policy	Office of Technology Transfer	404-727-2211	ttshere@emory.edu

#### Revision History

- Version Published on: Mar 15, 2011 (*Changed attachment format from Word to pdf.*)
- Version Published on: Mar 15, 2011 (*Overall update of the IP Policy*)
- Version Published on: Jul 24, 2007
- Version Published on: Mar 30, 2007 (*Original Publication*)

*Emory University policies are subject to change at any time. If you are reading this policy in paper or PDF format, you are strongly*



*encouraged to visit [policies.emory.edu](https://policies.emory.edu) to ensure that you are relying on the current version.*