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UNIVERSITY OF WISCONSIN-MADISON
GRADUATE SCHOOL

**INTELLECTUAL PROPERTY
POLICIES AND PROCEDURES
FOR UNIVERSITY RESEARCH**

Table of Contents

	Page
I. Introduction	4
<p>The University’s mission of discovering and transmitting knowledge to the public is enhanced through its policies regarding patents and copyrights on intellectual property and tangible products of research.</p>	
II. General Policy	4
<p>The University does not claim ownership rights in intellectual property of its faculty, staff and students produced during research, except as required by funding agreements or other University policies, including the right of the University to use such property for its educational and research purposes.</p>	
III. Ownership Rights Under Extramural Grants and Contracts	5
A) Federal Agreements	5
<p>In general, under federal law the University, through its designated patent management organization, the Wisconsin Alumni Research Foundation, has first right to retain title to any inventions conceived or made in whole or in part during federally funded research. Computer programs that are patentable fall within this dictate as do plants protectable under the Plant Variety Protection Act.</p> <p>There is no unified federal policy regarding rights to other research products such as data banks and copyrighted computer programs produced during federally funded research.</p>	
B) Non-Federal Agreements	6
<p>Ownership of intellectual property or tangible products of research generated during the course of non-federally funded research varies widely and is defined by the terms of the agreement between the University and the sponsor. Principal investigators must consider potential conflicts when funds from more than one source are co-mingled to support the same or similar research activity.</p>	
C) Consortium Agreements	7
<p>Since consortium agreements involve multiple sponsors and, often, multiple researchers, intellectual property rights under such agreements must be carefully structured.</p>	
D) Material Transfer Agreements (MTAs)	7
<p>Companies, and universities and other institutions generally require that the University and researchers sign MTAs to receive biological or other research materials. These MTAs typically restrict the use of the materials and prohibit redistribution of the materials to other researchers. It is essential that researchers examine all commitments made in the agreement considering past and future obligations related to funding.</p>	
E) Data, Research Records, Laboratory Notebooks, and Other Products of Research ...	8
<p>Under University policy, ownership of raw data, laboratory notebooks and other research records may not be transferred to a third party.</p>	
IV. Responsibilities for Review of Proposals and Awards	8

Review by the cognizant Dean, of proposals developed by a principal investigator, must include determinations as to whether a proposed project has a direct relation to other previously funded projects in regard to the disposition of intellectual property rights.

V. Requirement to Disclose and Assign if Required.....9

Persons making inventions, certain computer programs, or mask works are required to file disclosure reports with WARF and make such assignments as are required.

VI. The Role of the Office of Research and Sponsored Programs10

The [Office of Research and Sponsored Programs \(RSP\)](#) reviews all funding documents for compliance with University policy. The principal investigator, by signing the Transmittal Form, agrees to abide by the terms of the funding agreement.

VII. The Role of the Wisconsin Alumni Research Foundation11

The [Wisconsin Alumni Research Foundation \(WARF\)](#) is an independent, non-profit Wisconsin corporation that has been designated by the University of Wisconsin–Madison as the agency responsible for the management of inventions or discoveries made in whole or in part with federal assistance. WARF’s intellectual property managerial capabilities are also available to researchers whose work is not federally supported.

VIII. The Role of the Graduate School.....12

[The Graduate School](#) is responsible for determining the disposition of the intellectual property rights and for any required notification, whether to the federal government or other extramural sponsors.

IX. Contact Points for Further Documents and Information12

Extramural Support Transmittal Form and Addendum	RSP, Dean’s Office
Invention Disclosure Report	Graduate School, WARF
Annual/Final Invention Statement	RSP
Disclosure to Sponsoring Agency	Graduate School
WARF Policies and Procedures	WARF
Intellectual Property Policies	Office of Administrative Legal Services, RSP, Graduate School

X. Appendices

You may link to the following appendices by clicking on the title.

- Appendix A. [Extramural Support Transmittal Form and Addendum](#)
- Appendix B. [Invention Disclosure Report \(IDR\) Form](#)
- Appendix C. [Flow Chart for Building a Firewall](#)
- Appendix D. [Flow Chart for Invention Disclosure/Equity Review](#)
- Appendix E. [Intellectual Property Agreement for Project Participants](#)
- Appendix F. [Invention Disclosure/Equity Review Implementation Plan](#)

I. INTRODUCTION

The University's mission of discovering and transmitting knowledge and providing service to the public creates an environment that is conducive to the conception and development of many forms of intellectual property. Often, the results of our research effort have commercial value, which is enhanced through the use of patents, copyrights or other forms of protection.

This manual sets forth information about University policies, as well as the nature of faculty, staff, and student responsibilities regarding intellectual property rights and the procedures to be followed in reporting inventions and copyrightable materials arising from University research. This document describes and discusses the University policies and procedures relating to intellectual property created during and in the course of sponsored research. Other Board of Regent policies may apply to intellectual property created outside of sponsored research and require a discovery or invention made by any member of the faculty, staff or student on appointment, while pursuing his/her university duties, or on university premises, or with university supplies or equipment, be reported to the Chancellor or his/her designee. Such policies may be found on the University of Wisconsin System web site at <http://www.uwsa.edu/fadmin/fap.htm>. If, after reading this document, further information or guidance is necessary, you are encouraged to contact the [Office of Research and Sponsors Programs \(RSP\)](#) in the Graduate School.

II. GENERAL POLICY

Except as required by funding agreements or other University policies, the University does not claim ownership rights in the intellectual property generated during research by its faculty, staff, or students. This policy has proven beneficial to the University, the public, and the creators of such property. In the case of inventions funded in whole or in part by a federal agency or in the case of sponsored research agreements that require the University to grant rights in inventions generated by funding under such agreements, faculty, staff and students must assign rights to such invention to the University's designated patent management organization, the [Wisconsin Alumni Research Foundation \(WARF\)](#) and execute all papers necessary to file patent applications on the invention and establish the federal government's or other sponsor's rights in the invention. If there are no specific written agreements or policies to the contrary, the researcher at the University is free to dispose of the rights in the manner of his or her own choosing. The University retains the right to use the products of research conducted as a University activity for its education and research mission.

Most University research is funded by outside parties (extramural sponsors) through formal grants and contracts. Federal agencies constitute the major funding source but industrial support increased dramatically during the 1990s. The Board of Regents of the University of Wisconsin System is the legal recipient of all research grants and contracts from extramural sponsors and, as such, has a legal responsibility for complying with all the terms and conditions of the agreements. Under University policies, by signing the

[Extramural Support Transmittal Form \(T-Form\)](#), the principal investigator agrees to comply with the terms of the agreement as a condition of participating in the research and as part of his or her University duties and responsibilities. The principal investigator further agrees to accept the responsibility for assuring that other participants in the funded research agree to such terms and conditions. In many cases, the school or college has required staff and students to enter into an agreement covering any sponsored research ([Intellectual Property Agreement for Project Participants](#)). For staff and students who have not entered into a general agreement covering sponsored research, the principal investigator may use the agreement ([Extramural Support Transmittal Form Addendum](#)) developed for this purpose. The Agreement is an addendum to the T-Form and a copy is included in Appendix A. Under the University policy related to participation in sponsored research, anyone supported under a sponsored research award is deemed to have agreed to the terms and conditions of the award.

III. OWNERSHIP RIGHTS UNDER EXTRAMURAL GRANTS AND CONTRACTS

A) Federal Agreements

Rights to Inventions

Federal law and regulations provide that the University has the right to retain title to any inventions conceived or made in whole or in part during federally funded grants and contracts. Computer programs that are patentable are covered by the federal law, as are plants protectable under the Plant Variety Protection Act.

Because the law requires that the University initiate appropriate patent action for each federally-funded invention, and because any co-mingling of federal support with other extramural funds limits the rights available to another extramural sponsor, it is essential that University researchers become familiar with the requirements of the law. The following is a summary of the most relevant provisions of the law.

1. The law gives a university or its designated patent management organization the right to retain ownership of inventions made in performance of all federal grants and contracts unless otherwise stated in the individual funding agreement. The University of Wisconsin-Madison has designated WARF as its patent management organization for this purpose.
2. The University must have written agreements with persons performing the research, other than clerical and non-technical employees, requiring prompt disclosure of inventions and, if requested by the University or WARF, assignment of rights to any disclosed invention conceived or first actually reduced to practice in the performance of work funded in whole or in part by the federal government. The agreement developed by the University for this purpose is an [addendum to the T-Form](#) or the separate [Intellectual Property Agreement for Project Participants](#). A copy of these agreements are included in Appendix A and E.

3. The University is required to disclose any invention conceived or first actually reduced to practice in the performance of work funded totally or in part by the federal government. This disclosure must be made to the federal funding agency within two months after The Graduate School receives the invention disclosure report from WARF.
4. WARF, acting as the University's patent management organization, must elect whether or not to retain title to the invention. If WARF declines title to the invention, the rights to the invention pass to the federal funding agency that supported the research. The University inventor, with assistance from The Graduate School, may petition the federal funding agency for rights to any such invention that is declined by WARF.
5. The federal agency retains a nonexclusive, nontransferable, irrevocable, paid-up world-wide license to practice or have practiced the invention for governmental purposes. The individual funding agreement may grant additional rights to the federal government.

Rights to Data Banks and Copyrights

In the area of ownership of mask works, data banks, or copyrightable works produced during the course of federally sponsored research, a single policy relating to all federal grants and contracts has not yet been adopted by the federal government. As the term is used in most federal grant policy manuals, "data banks" refers to those situations in which the accumulation or creation of the data bank is an activity specifically within the scope of work of the research project. Works that may be copyrighted under Title 17 of the United States Code include reports, books, articles, design drawings and blueprints, recordings, video tapes and discs, and computer software. Mask works and semiconductor chips are covered under a separate statute. In general, the regulations and the policy statement of the sponsoring federal agency, as well as the individual funding agreement, determine ownership and any reservation of rights in data banks or copyrightable works produced during and as a part of the research. Federal contracts may include requirements that necessitate marking or identification of any deliverable, whether created under the contract or not, in order to limit the government's rights in the deliverable materials. For further information and copies of any policies of the funding agency, contact RSP.

B) Non-Federal Agreements

Expectations vary regarding ownership of intellectual property generated as a part of a research program sponsored by non-federal funding sources. Using funds from more than one source in support of a given research project whether federal or non-federal, may create conflicting positions regarding ownership rights among the various sponsors unless the use of the funds is carefully evaluated prior to the start of the work and continuously monitored throughout the course of the research.

In any agreement with an extramural research sponsor, the principal investigator must consider the existing contractual obligations of the University or the researcher(s). This is especially important where the agreement under negotiation is for research that has the same or similar purpose as research conducted using personnel or resources that are

funded, however minimally, by another sponsor. Obligations under existing federal or other extramural sponsorship agreements must be identified and reconciled with the agreement under negotiation. Failure to reconcile potentially conflicting claims to ownership of intellectual property may result in a lawsuit for breach of contract against the University and damage the professional reputation and credibility of the researcher.

When the same or similar research is supported with federal funds, however small the amount, a non-federal sponsor may receive rights to an invention only as is consistent with federal law. This may be accomplished through a license agreement obtained from WARF. For copyrightable works from research supported in part with federal funds, a non-federal sponsor may receive only such rights as are not reserved by the federal funding agency's regulations or the federal funding agreement.

C) Consortium Agreements

Another method of funding research is the research consortium. A consortium consists of a group of institutions or companies acting together to investigate an area of common interest. In the typical University research consortium, each outside sponsor contributes a specific amount of funding annually to support a research project or program. Typically, consortia are used to pursue a general area of research that is of interest to a large group of sponsors and draws together many University researchers. Because of the variety of sponsors and the number of researchers that may be involved, intellectual property rights under consortium agreements must be carefully structured and researchers should seek advice from appropriate University offices.

D) Materials Transfer Agreements (MTAs)

Incoming MTAs

Companies, and universities and other institutions generally require that the University and researchers sign a material transfer agreement (MTA) to receive company biological or other research materials. These MTAs typically restrict the use to which the materials may be put and prohibit redistribution of the materials to other researchers. MTAs for materials being furnished to the University are similar in effect to industrial research funding agreements and are processed by the University in the same way, using an Extramural Support Transmittal Form.

Problems can arise when an MTA also provides for a grant back to the company of a license for the use or ownership of new materials or inventions made by the researcher. As with funding agreements, it is essential that the researcher carefully examine all commitments made in the MTA in light of past and future obligations relating to funding. If materials received from one company and covered by an MTA are to be used in research funded under a consortium or a grant from another company, access rights to inventions must not conflict.

If an invention covered by an MTA was supported with federal funding the provider may only receive such rights as are consistent with obligations under federal law.

The University assumes that a researcher who transmits an MTA has read and agrees with all of its terms. Unless a provision of the MTA is inconsistent with the federal law relating to inventions or other state laws or University policy, the University will sign the agreement as transmitted.

Outgoing MTAs

Researchers are not required to use an agreement for outgoing materials unless the materials have been assigned to WARF although the researcher may choose to use an agreement. If the materials have been assigned to WARF, the researcher should contact WARF. The University is a signatory to the “Uniform Biological Material Transfer Agreement” that researchers may use to share research materials with other researchers outside of the University. This is the only agreement that the University will sign for outgoing biological materials.

E) Data, Research Records, Laboratory Notebooks, and Other Products of Research

Subject to any restrictions imposed by federal law or other prior agreements, the researcher may assign rights in patents, copyrights, and mask works that are made as a part of sponsored research. However, ownership of raw data and other immediate products of the research, such as lab books and other research records generated during the research, may not be transferred to a third party. Because the mission of the University and, therefore, the goal of all University research, is the discovery and dissemination of knowledge, the University and its faculty, staff, and students have an obligation to publish the results of University research. Allowing a sponsor to own the raw data of the research effectively forecloses the ability to publish. Therefore, under University policy, ownership of such materials may not be transferred to a third party. Certainly, access to the data or other research materials may be granted to the sponsor and, if appropriate, the sponsor may be authorized to use such material freely.

IV. RESPONSIBILITIES FOR REVIEW OF PROPOSALS AND AWARDS AND PREVENTION OF CO-MINGLING

When developing proposals, the principal investigator must carefully consider any concurrent and previously funded projects, as well as any individual agreement, such as a consulting agreement, the principal investigator may have. The principal investigator should not knowingly develop a project proposal in which the subject matter would create a conflict regarding intellectual property rights assigned in other agreements, including any individual agreements.

When the University receives an award document from a sponsor, the principal investigator should give special attention to the intellectual property rights clause to assure that similar rights have not previously been assigned to another extramural sponsor or to anyone for whom the researcher(s) have done consulting. Principal investigators and others involved in the research should also consider whether the assignment of

intellectual property will have an adverse impact on their ability to seek future funding from other sponsors.

Review by the Dean or Director, or designated representative, should include a determination of whether the proposed project or agreement has a direct relation to any other previously funded projects in which the sponsor received intellectual property rights.

The likelihood of co-mingling occurs when there is federal support within the laboratory or when there are multiple sponsors of the same or similar scope of work. Therefore, it is important to make sure that the various funding agreements do not contain conflicting requirements, especially with regards to intellectual property. Federal sponsorship of research is pervasive at the University and the regulations regarding ownership of inventions under federal funding are very comprehensive. If a research laboratory, group or investigator has federal funding for research, the University will presume that any invention arising during the same time period as the term of the federal funding is subject to the federal law and regulations discussed in Section III A above unless the principal investigator has been authorized by the Graduate School to create a firewall. A flow chart outlining the process for evaluation of a request for a firewall is in [Attachment C](#). A similar process for establishing that federal funding did not contribute to a disclosed invention is discussed below in Section V (See [Attachment D](#)). While Attachment C is specific for federal co-mingling, a similar process may be used in the case of potential nonfederal co-mingling.

V. REQUIREMENT TO DISCLOSE AND ASSIGN

To assure the University's ability to comply with obligations arising under federal laws or in extramural sponsor agreements, faculty, staff, and students participating in sponsored research are required as a condition of such participation to file disclosure reports for any invention or discovery that was made during the course of his or her University activities. Other Board of Regent policies may apply to intellectual property created outside of sponsored research and require a discovery or invention, made by any member of the faculty, staff or student on appointment while pursuing his/her university duties, or on university premises, or with university supplies or equipment, be reported to the Chancellor or his/her designee. The principal investigator for a sponsored research grant is responsible for assuring that an [invention disclosure form](#) is filed for any such discovery. The person filing the invention disclosure form is responsible for providing complete and accurate information as required on the form, and transmitting the form to WARF. WARF forwards the invention disclosure form to The Graduate School, which is responsible for determining the disposition of the intellectual property rights and for any required notification, whether to the federal government or other extramural sponsors.

If an inventor disputes The Graduate School determination that the federal government has rights to an invention because of the presence of federal funding during the inventive period, the inventor may request a review of that determination using the process outlined in the flow chart found in [Attachment D](#). The review process includes an analysis,

comparing the scope of work under the federal grant with the inventive work for the purpose of delineating a nexus between the two. The inventor(s) or creator(s) may use a similar process to question whether or not other extramural sponsors have any rights in a disclosed invention or other intellectual property.

The form used to disclose inventions is found at <https://kb.wisc.edu/gsadmin/kb/page.php?id=33881> or at <http://www.warf.org/inventors/index.jsp?cid=17&scid=20>.

Computer software may be an invention (i.e. patentable) and covered under the federal law discussed in Section III A. Additionally, computer software and other types of copyrightable soft materials may be subject to intellectual property rights set forth in the sponsorship agreement. Before making any disposition of rights to copyrightable material produced under and as part of the extramurally funded research, the principal investigator should fill out an [invention disclosure report](#) and submit the form to WARF who will forward it to The Graduate School for an equity determination.

If the equity review and determination results in a finding that an invention is funded in whole or in part by a federal agency or if the sponsored research agreement requires the University to grant rights in the invention to a sponsor, then an inventor is required, if requested by WARF, to assign rights in such invention to WARF and execute papers necessary to establish the federal government's or other sponsor's rights.

VI. THE ROLE OF THE OFFICE OF RESEARCH AND SPONSORED PROGRAMS

The [Office of Research and Sponsored Programs \(RSP\)](#) administers grants and contracts for sponsored University research. RSP reviews grant and contract documents to assure that the disposition of intellectual property complies with federal requirements and University policy.

RSP endeavors to protect the rights of extramural sponsors by ensuring that principal investigators and all project staff, except clerical and non-technical personnel, sign an agreement that states that they will comply with the intellectual property provisions of the specific agreement between the University and the sponsor. RSP obtains the principal investigator's agreement and signature through the [Extramural Support Transmittal Form Addendum \(T-Form\)](#) at the time the project is routed for University approval. The principal investigator is responsible for assuring that appropriate signatures from project staff are on file prior to their commencing work on a project. The principal investigator is also responsible for maintaining a copy of the agreement with project staff signatures.

Principal investigators should remember that they may not obligate the intellectual property of project staff unless such staff have signed an intellectual property agreement prior to commencing work. While project staff signatures may not seem important at the time a grant or contract is being processed and may be far removed from the actual making of an invention or creation of other intellectual property, in fact they are very important. Failure to obtain such signatures may lead to a lawsuit for breach of contract and may also jeopardize a patent or copyright or other types of intellectual property protection.

VII. THE ROLE OF THE WISCONSIN ALUMNI RESEARCH FOUNDATION

The [Wisconsin Alumni Research Foundation](#) (WARF) is a non-profit foundation whose mission is to support research at the University. The University, through written agreement and long-standing culture and practice, relies on WARF to act as its designated patent management organization and to operate as its technology transfer organization. In addition to providing millions of dollars each year to the University to support basic research, WARF also provides intellectual property management services to the University through an active program of intellectual property protection and licensing efforts.

WARF is capable of handling all forms of intellectual property including patentable materials or processes, copyrightable materials such as computer software and multimedia works, and other non-patented products such as biological materials. WARF does not itself develop or manufacture any products, copyrightable works, or biological materials. Instead WARF licenses intellectual property to industrial partners. WARF is also able to take an equity position in start-up companies (usually in lieu of up-front licensing fees) to which WARF licenses University intellectual property.

WARF is an outstanding resource that is available to the entire University research community whether or not federal funding was involved in the development of intellectual property. However, the existence of federal funding or other contractual obligation may require that intellectual property rights be assigned to WARF.

If a patent is to be considered, for reasons of foreign and United States patent law, the best time to bring technology to WARF is before **any** public or other, non-confidential communication of it. Non-confidential communication may put the invention into the public domain outside of the United States. Even if only a United States patent is to be considered, any publication, public use, sale, or offer to sell an invention will place the invention in the public domain unless a patent application is filed within one year of the public event.

Upon acceptance of a properly cleared invention or software disclosure, WARF provides a payment to be divided equally among the creators, i.e., inventors or authors. If WARF generates income from technology assigned to it, WARF pays a percentage of that gross income directly back to the individual researcher or the group of researchers who assigned the technology to WARF. This is private income for the researchers. The other licensing income, combined with WARF income from other sources, is provided to the University. By University policy, a portion of this money is provided to the unit(s) in which the technology was created. The remainder of the income is administered by the Graduate School in support of research.

VIII. THE ROLE OF THE GRADUATE SCHOOL

[The Graduate School](#) receives all invention disclosures after review by WARF. To protect inventors and the University, The Graduate School conducts an equity review, which is a review of the funding history of inventions, and of other relevant agreements (such as material transfer agreements) to determine what obligations may attach to inventions. The Graduate School has the responsibility of notifying the federal government and/or other parties mandated by contract.

IX. CONTACT POINTS FOR FURTHER DOCUMENTS AND INFORMATION

This document describes the University's policies regarding intellectual property created during research. You are encouraged to contact the offices identified in the Introduction if you have questions or would like more information regarding University research. The following materials are also relevant to intellectual property created during research. Forms, additional written materials, and information regarding the forms may be obtained from the offices listed below:

Extramural Support Transmittal Form and Addendum	RSP or Dean's Office
Invention Disclosure Report (Form)	The Graduate School, WARF
Annual/Final Invention Statement (Form)	RSP
Disclosure to Sponsoring Agency	The Graduate School
WARF Policies and Procedures	WARF
Intellectual Property Policies	Office of Administrative Legal Services, RSP, Graduate School

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