

ARTICLE 14

Intellectual Property

14.1 Inventions and discoveries that may be patentable or copyrightable may result from the creative work of unit members. The following terms are intended to provide incentives for the development and utilization of discoveries and inventions. Unit members shall assign to the University all rights to inventions and works as set forth herein.

14.2 Definitions. The following definitions shall apply in Article 14:

- a. A "work" includes any copyrightable material, such as printed material, computer software or databases, audio and visual material, circuit diagrams, architectural and engineering drawings, lectures, musical or dramatic compositions, choreographic works, pictorial or graphic works, and sculptural works. Instructional material, as defined in Article 14.2(c), is included in this definition. The University reserves the right to use all works on a royalty free basis. The unit member shall retain ownership and control of University supported work produced by the unit member; such work shall not be used in a manner which conflicts with the interests of the University.
- b. An "invention" includes any discovery, invention, process, composition of matter, article of manufacture, know-how, design, model, technological development, strain, variety, culture of any organism, or portion, modification, translation, or extension of these items, and any mark used in connection with these items. Instructional material, as defined in Article 14.2(c), is included in this definition.
- c. "Instructional material" includes video and audio recordings, motion pictures, film strips, photographic and other similar visual materials, live video and audio transmissions, computer programs, computer assisted instructional coursework/software, programmed instructional materials, three dimensional materials and exhibits, and combinations of the above materials, which are prepared or produced in whole or in part by a unit member, and which are used to assist or enhance instruction.
- d. "University support" includes the use of University funds, personnel, facilities, equipment, materials, or technological information, and includes such support provided by other public or private organizations when it is arranged, administered, or controlled by the University.
- e. "University sponsored" includes works and inventions which are specifically commissioned by the University, or supported as a work for hire by such means as a specified course release or overload payment.

- f. "Net proceeds" are the gross receipts derived from trademarks, materials, inventions, discoveries and/or intellectual properties, including but not limited to, rents, royalties, dividends, earnings, gains and sale proceeds, less all costs, expenses and losses paid or incurred by the university in connection therewith, including but not limited to, all direct costs and expenses, indirect costs and expenses as allocated and determined by the University, costs and expenses of obtaining, securing and protecting patents, copyrights and trademarks and all attorney's fees. Gross receipts do not include tuition and fees received by the University of Alaska.
- g. "Independent efforts" are "works" or "inventions" made in the course of independent efforts of the unit member; the ideas came from the unit member, and the "work" or "invention" was not made with the use of University support.
- h. "University-supported efforts" are "work" or "inventions" not made in the course of independent efforts.

14.3 Works

- a. Ownership, Rights, and Responsibilities

- 1. Independent Efforts

- A work made in the course of independent efforts is the property of the unit member, who has the right to determine the disposition of such work and revenue derived from such work. The University is not held responsible for any opinions expressed in the work.

- 2. University-Supported Efforts

- If the work was not made in the course of independent efforts, the University shall share with the unit member the net proceeds therefrom according to Article 14.3(c). The unit member shall not commit any act which would tend to defeat the University's interest in the matter and shall take any necessary steps to protect such interest.

- 3. University-Sponsored Efforts

- If the work was sponsored by the University, the University shall retain all rights and net proceeds.

- b. Disclosure of all Works/University Review

- 1. Upon the creation of a supported work with potential commercial value, and prior to any publication, the unit member shall disclose to the chancellor, or designee, any supported work together with an outline of the project and the conditions under which it was done.

2. Upon the creation of a work and prior to any publication, the unit member shall disclose to the chancellor, or designee, any work made, whether independent or in the course of University-supported efforts, together with an outline of the project and the conditions under which it was done.
 3. Within one hundred and twenty (120) days after such disclosure, the chancellor, or designee, will inform the unit member whether the University disclaims an interest in the work. The unit member shall assist the University in obtaining releases from persons appearing in, or giving financial or creative support to, the development or use of these works in which the University has an interest. All such agreements shall be subordinate to any preexisting commitments to outside sponsoring contractors.
- c. Distribution of Net Proceeds from Works

Subject to restrictions arising from overriding obligations of the University pursuant to grants, contracts of other agreements with outside organizations, the University agrees, for and in consideration of copyrights, to pay annually to the named creator(s), or creator(s)' heirs, copyright, licensing, patent, legal, marketing and other costs have been paid, received by the University for each patent or other intellectual property right assigned to the University, as provided below, or as negotiated prior to start of work.

Total Net Royalty or Revenue Per Work	Creator's Distribution	Creator's Program Distribution	University's Distribution
First \$10,000	100%	0	0
\$10,001 - \$100,000	40%	20%	40%
Over \$100,000	20%	25%	55%

14.4 Inventions

a. Ownership, Rights, and Responsibilities

1. Independent Efforts

All inventions made for which no University support has been used are the property of the unit member, who has the right to determine the disposition of such work and revenue derived from such work. The unit member and the president, or designee, may agree that the

patent for such invention be pursued by the University and the proceeds shared.

2. University-Supported Efforts

An invention which is made using University support is the property of the University and the unit member shall share in the net proceeds therefrom according to Article 14.4(d). The unit member shall not commit any act which would tend to defeat the University's interest in the matter and shall take any necessary steps to protect such interest.

b. Disclosure of all Inventions/University Review

1. A unit member shall fully and completely disclose to the president, or designee, all inventions which the unit member develops or discovers while a unit member, together with an outline of the project and the conditions under which it was done.
2. The president, or designee, shall conduct an investigation which shall assess the respective equities of the unit member and the University in the invention and determine its importance and the extent to which the University should be involved in its protection, development and promotion.
3. If the University disclaims to assert its interest or rights in the invention, the president, or designee, shall inform the unit member within one hundred and twenty (120) days of the unit member's disclosure to the president, or designee.
4. The University and the unit member shall execute a written statement reflecting the distribution of net proceeds set forth in Article 14.4(d).
5. All the above statements shall be subordinate to any preexisting commitments to outside sponsoring contractors.

c. Release of Rights

1. In the event a sponsored research contractor has been offered the option to apply for the patent to an invention or other rights to an invention, and the University elects to disclaim, the University shall attempt to obtain the contractor's decision regarding the exercise of such rights within 75 days after such election.
2. At any stage of making the patent applications, or in the commercial application of an invention, if it has not otherwise assigned to a third party the right to pursue its interests or is

otherwise obligated, the president, or designee, may elect to withdraw from further involvement in the protection or commercial application of the invention. At the request of the unit member in such case, the University shall endeavor to obtain a waiver or approval from the third party and, if obtained, shall transfer the invention rights to the unit member, in which case the invention shall be the unit member's property and the costs incurred by the University or on its behalf shall be assessed against the future revenues received by the unit member and the University will be entitled to 12.5 percent of the net proceeds.

3. All assignments or releases of inventions, including patent rights, by the president, or designee, to the unit member shall contain the provision that such invention, if patented by the unit member, shall be available royalty-free for University use, unless otherwise agreed in writing by the University.

d. Distribution of Net Proceeds from Inventions

Subject to restrictions arising from overriding obligations of the University pursuant to grants, contracts or other agreements with outside organizations, the University agrees, for and in consideration of patent rights, to pay annually to the named inventor(s), the inventor(s)' heirs, successors or assigns, a royalty share of the net proceeds, after all licensing, patent, legal, marketing and other costs have been paid, received by the University for each patent or other intellectual property right assigned to the University, as provided below.

Total Net Royalty or Revenue per Invention	Inventor(s)' Distribution	Inventor(s)' Department Distribution	University of Alaska's Distribution
First \$10,000	100%	0	0
\$10,001 - \$19,999	80%	20%	0
\$20,000 - \$250,000	40%	25%	35%
Over \$250,000	20%	20%	60%

14.5 Outside Activity

Although a unit member may, in accordance with Article 17.7 of the Agreement, engage in outside activity, including employment, pursuant to a consulting agreement, requirements that a unit member waive the unit member's or University's rights to any work or inventions which arise during the course of such outside activity must be disclosed to and approved by the president, or designee.

A unit member who proposes to engage in such outside activity shall furnish a copy of this Article and the University's patent policy to the outside employer prior or at the time a consulting or other agreement is signed, or if there is no written agreement, before the employment begins.