



Effective IP Policies for Universities

Ryan Marshall, JD • July 15, 2019

Academic institutions train many of the innovators who solve problems and thereby fuel the global economy and improve the human condition. Professors at those institutions make important discoveries with compelling impacts on cultural and industrial development worldwide. Leaders at learning institutions, therefore, must have effective policies and procedures for managing intellectual property (IP) developments and knowledge transfer.

Historically, university graduates became the workers and researchers for businesses in their schools' vicinities. With that focus, university researchers often publish their activities, making them widely available. That unfettered accessibility is often incompatible with industry's need to keep information confidential and protect IP rights including patents and trade secrets—especially in highly competitive fields. Universities and researchers, therefore, need to engage with businesses and other university collaborators while still being mindful of IP protections.

Some discoveries are patentable, but many are just initial ideas with proofs of concept or prototypes that require further research before commercialization. By granting universities and researchers their rights to own IP derived from publicly financed research and allowing them to commercialize their results, governments accelerate industry's deployment of discoveries into product and service offerings. Additionally, teaching activities generate IP in the form of teaching materials, software, and designs.

Policy goals

With this context, academic leaders should evaluate their goals and align their administrative activities with effective policies governing IP development, management, and transfer. What should these goals include? Here are a few common themes:

- Promote scientific research.
- Encourage researchers to explore opportunities that benefit society.
- Support innovation and development.
- Provide legal certainty to students, faculty, and other university personnel.
- Balance the various interests of universities, industry, and society.
- Ensure compliance with applicable national laws and regulations.

A university's sponsoring organization may have objectives that affect these goals or at least prioritize them. For example, state governments allocate funds to encourage the development of new businesses and job creation. The discovery of new technologies requires skilled labor trained in technology fields. Discoveries also lead to new markets or market differentiation. Thus, university leaders should shape policies according to the goals and priorities of their private and public sponsors.

Without a formal, written document identifying ownership and use of IP rights, the different stakeholders in a university (professors, researchers, students, visiting researchers, etc.) and commercialization partners (industrial sponsors, consultants, nonprofit organizations, or governments) would have no guidance on how to make decisions concerning IP connected with the academic institution.

What is the typical content of an IP policy? An institution's IP policy (1) clarifies the ownership of and right to use the IP resulting from the institution's R&D activities and collaborations with others; (2) sets out the rules of the institution to accurately identify, evaluate, protect and manage IP for its sale, license, and further development; and (3) provides a transparent framework for cooperating with third parties and guidelines on the sharing of economic benefits stemming from commercialization.

These policies prevent the accidental loss of valuable IP from the university.

Rules for managing IP

An effective institutional IP policy will identify the person or department responsible for IP protection and management. This is often the role of a technology transfer office (TTO). The policy should identify the respective responsibilities of the institution, university staff, students, and researchers to safeguard IP, including procedures for disclosing new ideas with potential commercial interest, existing and prospective confidentiality obligations, existing IP that may affect the freedom to operate in the field of research, and record keeping.

The policy should identify the institution's rules for IP ownership that usually vests in the creators who are then obligated to assign their rights to the university because of employment. The rules should also address how university personnel engage with third parties such as other university and industry collaborators to manage conflicts of interest. It should also address the role and participation of students in research as some students are not employees of the institution.

Universities are well served to include incentives in their policies. People often respond better to rewards than to penalties. Thus, policies that reward researchers for their engagement with management reinforce their inclination to promote the socioeconomic benefits as well as other academic recognitions arising from their discoveries and innovations.

Rules for knowledge transfer

Universities are not in the business of commercial development, so their policies should describe the process for knowledge transfer before any traditional academic publication or disclosure. Such rules prevent running into the issue that, in many countries, the prior disclosure of an invention before its inclusion in a patent application surrenders the invention rights. There are only a handful of countries that provide grace periods for an inventor's early, accidental disclosure of their invention.

University personnel should understand the institution's procedures for screening discoveries that warrant patent filings and for determining which trade secrets can be freely disseminated outside the institution. That way everyone can develop a timeline for patent filings, industry engagement, and academic or other publication.

Generally, the policy should outline procedures for delaying research publication until potential commercialization is assessed. Commercialization options include licensing, assignment of ownership to another person or entity, and the creation of spin-off or start-up companies. University researchers may or may not want to be a part of such activities, but they will all benefit if the university takes the time to help their entrepreneurially minded colleagues. Those benefits include royalties, recognition, and additional research funds.

Finally, universities should safeguard themselves and their employees by accounting for national or public interests implicated or directly affected by their discoveries.

Rules regarding collaborative and contract research

Effective university policies should describe rules that enable researchers to collaborate while affording the university adequate opportunity to manage ownership interests and financial responsibilities. The primary purpose of patent protection is to give the patent owner the ability to exclude someone from practicing a claimed invention. Thus, if the patent owner fails to own all invention rights, the exclusivity of a patent filing will be lost when ownership issues are unresolved. Similarly, the accidental disclosure of a trade secret renders the information unprotectable because it is no longer confidential.

University policies should safeguard inventions and trade secrets so that personnel are familiar with their responsibilities to the university as well as to outside collaborators. These policies enable the university to respect third party IP protection. They also address the costs and maintenance responsibilities of IP filings so the university is not left footing the entire bill. Such rules also highlight the need for strategies to

protect preexisting technology, address conflicts of interest, and appropriately share revenues as partners in innovation development.

Freely available policy resources

The World Intellectual Property Organization shares a [library of resources](#) and examples of policies. A range of options exists, and each university should consider how to tailor its policies to best fit its goals and objectives. These policies should carefully outline ways to safeguard the accidental disclosure of valuable IP assets while affording university leaders the opportunity to evaluate whether the information warrants a patent filing or confidential handling.

Importantly, whatever the university's policies, those rules and procedures should be published and accessible to all university personnel. They should be the subject of training both at an employee's hiring and during regular seminars. Because many academics want their discoveries to be made known, it is important for university leaders to explain that the IP policies promote the widespread use of these discoveries in a controlled fashion that balances legal protection while at the same time not unduly impeding traditional academic freedom or open and timely publications and fulfilling the institution's mission of serving the public interest. Indeed, each university employee should understand the institution's commitment to responsible commercialization that will promote innovation's development for economic and social benefit.

University leaders who evaluate and adjust their IP policies and procedures will effectively enable the deployment of valuable discoveries and satisfy their academic purposes.

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