

THE UNIVERSITY OF TEXAS AT DALLAS
NUMBERED POLICY MEMORANDA

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INTELLECTUAL PROPERTY POLICY

The Intellectual Property Policy of The University of Texas is governed by Part Two, Chapter XII of the Rules and Regulations (<http://www.utsystem.edu/bor/rules/>) of the Board of Regents of The University of Texas System, as implemented in this memorandum. To the extent that provisions herein may vary from the Rules and Regulations, the latter shall govern. An Intellectual Property Handbook, bearing the approval of the President, will provide auxiliary information and procedural details related to implementation.

I. Definition of Intellectual Property

As used in this Policy, the term "intellectual property" includes any invention, discovery, trade secret, technology, scientific or technological development, or computer software, regardless of whether such property is subject to protection under the patent, trademark or copyright laws except as may be excluded below.

II. Applicability of Policy

A. This policy shall apply to:

1. All persons employed by U. T. Dallas
2. All persons, including students, using the facilities of U. T. Dallas under the supervision of its employees.
3. Candidates for masters' and doctoral degrees.

4. Postdoctoral and predoctoral fellows.
 5. Intellectual property that has resulted either from activities performed by the individual on U. T. Dallas time, or with support by State funds, or from using U. T. Dallas facilities.
- B. This policy shall not apply to:
1. Faculty authored, scholarly works, art works, musical compositions and dramatic and non-dramatic literary works related to the faculty member's professional field, regardless of the medium of expression, unless such work is commissioned by or produced as a work for hire by the U. T. System or U. T. Dallas. Such work is owned by the creator.
 2. Intellectual property produced by an employee of an outside firm under contract to U. T. Dallas as a work for hire in the performance of a contract with U. T. Dallas or as a part of an employee's assigned work responsibilities. Such property is owned solely by the Board of Regents and the division of royalties does not apply.
 3. Intellectual property unrelated to an individual's employment responsibility that is developed on the individual's own time and without U. T. Dallas support or the use of U. T. Dallas facilities. Such property is owned by the creator.

III. Advisory Bodies

- A. The President of U. T. Dallas shall appoint an Intellectual Property Advisory Committee to help administer intellectual property policy and make recommendations on such related matters as may be requested. The President shall also appoint a Chair to direct and coordinate the activities of the Intellectual Property Advisory Committee.
- B. The Intellectual Property Advisory Committee shall recommend to the President as to whether and how U. T. Dallas and the System should assert and protect rights in intellectual property covered by this policy.
- C. Where the U. T. System rights have been asserted on an item of intellectual property, the President shall appoint a Business Advisory Committee to advise him or her on decisions about this protection and its exploitation. This Committee shall consist of the Executive Vice President and Provost (Provost), the Senior Vice President for Business Affairs, the Dean of Graduate Studies (ex-officio), the Director of Research Administration and Sponsored Projects, the appropriate School Dean, inventor, and such other individuals within or outside the University as may seem advisable.

IV. Submission of Intellectual Property and Assignment of Rights

- A. All individuals carrying out University activities (including persons using University facilities) which might result in creating intellectual properties are obliged to maintain and make available adequate records of their work and to follow the guidelines for disclosure and internal reporting of such properties as described in the current issue of the University's Intellectual Property Handbook.
- B. Before intellectual property covered by this policy is disclosed either to the public or for commercial purposes, and before publishing same, the creator shall submit a disclosure of such intellectual property as prescribed in the current Intellectual Property Handbook for review by the Intellectual Property Advisory Committee.
- C. The Intellectual Property Advisory Committee will review the disclosure of intellectual property submitted by the creator, and will recommend one of the following:
 - 1. That U. T. Dallas and the System assert rights of ownership in the intellectual property on behalf of the Board of Regents and obtain such protection for it as may be appropriate.
 - 2. That the Board of Regents release rights of ownership in the intellectual property to the creator subject to such terms and conditions as may be appropriate.
- D. Where U. T. Dallas and the System assert rights of ownership on behalf of the Board of Regents in intellectual property covered by this policy, it shall be mandatory that persons covered by this policy assign all rights in such property and any patents or other protection to the Board.
- E. Any person who as a result of his or her activities creates intellectual property that is subject to this policy, other than on government agreements or other sponsored research projects where the grant agreements provide otherwise, should have a major role in the ultimate determination of how it is to be made public, whether by publication, by development and commercialization after securing available protection for the creation, or both.

V. Licensing and Distribution of Income

- A. In those instances where rights in intellectual property are licensed by the Board of Regents to third parties, the costs of licensing and obtaining a patent or other protection for the property shall first be recaptured from any royalties received.
- B. The remainder of such royalty income (including license fees, prepaid royalties and minimum royalties) shall be divided as follows:
 - 1. Fifty percent (50%) to the creator, and
 - 2. Fifty percent (50%) to U. T. Dallas.
- C. That portion of the System's share of licensing income that is allocated to U. T. Dallas shall be further allocated by the President for research purposes. The Intellectual Property Advisory Committee may recommend ways in which such income may be applied to further develop and support the intellectual property interests of U. T. Dallas.
- D. With the prior written permission of the President, future royalties payable to a faculty member pursuant to Section V. of this policy may be assigned to U. T. Dallas by the faculty member and designated for use in research to be conducted by such a faculty member.

VI. Equity Interests

- A. In agreements with business entities relating to rights in intellectual property owned by the Board of Regents, U. T. Dallas may receive equity interests as partial or total compensation for rights conveyed.
- B. Consistent with Section 51.912, Texas Education Code, and subject to review and approval by the President, the Executive Vice Chancellor for Academic Affairs, the Chancellor, and the Board, employees of U. T. Dallas who conceive, create, discover, invent or develop intellectual property may hold an equity interest in a business entity that has an agreement with the University and System relating to the research, development, licensing or exploitation of that intellectual property.
- C. The University may negotiate, but shall not be obligated to negotiate, an equity interest on behalf of any employee as a part of an agreement between the University, Board and a business entity relating to intellectual property conceived, created, discovered, invented or developed by the employee and owned by the Board. An employee shall request in writing, using guidelines specified in the Intellectual Property Handbook, that the University negotiate on his or her behalf.
- D. Dividend income and income from the sale or disposition of equity interests held by the Board shall belong to the System. U. T. Dallas may use the net income in

accordance with Section V.C. of this policy.

- E. Dividend income and income from the sale or disposition of an equity interest held by an employee pursuant to an agreement between U. T. Dallas or System and a business entity relating to rights in intellectual property conceived, created, discovered, invented or developed by such employee shall belong to the employee.

VII. Business Participation

- A. Any U. T. Dallas employee who conceives, creates, discovers, invents or develops intellectual property shall not serve as a member of the board of directors or other governing board or as an officer or any employee (other than as a consultant) of a business entity that has an agreement with the University or System relating to research, development, licensing, or exploitation of that intellectual property without prior review and approval by the President, the Chancellor and the Board as an agenda item.
- B. When requested and authorized by the Board, an employee may serve on behalf of the Board as a member of the board of directors or other governing board of a business entity that has an agreement with the System relating to the research, development, licensing or exploitation of intellectual property.