

## **Clarkson University New Approach to Managing Intellectual Property**

Clarkson University will embrace a new approach to managing intellectual property resulting from industry-sponsored research effective July 1, 2016. These changes do not affect research sponsored by federal funding agencies, New York State agencies, or flow-through of federal or state funding (government funding flowing through a company and subcontracted to Clarkson). Clarkson University follows NY State terms and conditions for state contracts and the Bayh-Dole Act when research is funded by federal funding agencies.

A company sponsoring research will have the option to request ownership of Intellectual Property (IP) resulting from a sponsored project provided the Principal Investigator (PI) is in agreement with this option before the research agreement is executed. If all Clarkson PIs involved in the project agree to IP terms that grant ownership to sponsor, then the IP terms of the agreement will be such that any new IP generated may be assigned to the sponsoring company. If the PIs do not agree to grant the option for the sponsor to request ownership in research agreement IP terms, the DOR will make its best efforts to establish acceptable and appropriate IP terms for the research agreement. PIs should note that if agreeable IP terms are not established the contract may not proceed.

PIs need to be aware that there are situations when it is not appropriate to assign ownership to a company sponsor. For example, if the loss of control over the IP would jeopardize the PIs ability to obtain subsequent funding from other sources vital to the core research of the researcher's lab or when the company is flowing through funding from a State or Federal prime source.

Sponsor ownership of IP does not automatically occur when the research contract is executed. The sponsor must request ownership once the patentable IP has been identified, and protected. The research agreement shall include a claw-back to allow the use of IP for education and research.

In general, Clarkson University PIs should not expect to benefit financially even if the research project is successful once the resulting IP is assigned to the sponsor. However, Clarkson's standard research agreement does include a bonanza clause stating that if the sponsor is exceptionally successful using the IP created at Clarkson University, the sponsor agrees to share its financial benefit with Clarkson University and subsequently all inventors in proportion to their contributions.

Even after Clarkson assigns IP to the sponsor, Clarkson PIs being named as inventors on the patent applications filed by the sponsor have an on-going obligation to assist in the patenting process (i.e., signing documents as appropriate). Sponsors cannot expect PIs to commit an inordinate amount of time supporting the company's patenting process without compensation. Clarkson recommends that sponsors consider entering into consulting agreements with the

inventors if the company wants a significant time commitment for support of the patenting process. PIs should be aware that it is unlikely that the IP assigned to sponsor can be used as a basis for research sponsored by other companies.

Further if background IP will be required to practice the new IP created by the sponsored research project, PIs should identify this background IP and its availability for licensing to the company sponsor before the research begins so that the company sponsor can make a well informed decision. Clarkson PIs are essential to identifying necessary background IP during the negotiation process.

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