

**INTELLECTUAL PROPERTY POLICY OF THE  
POLYTECHNIC UNIVERSITY OF PUERTO RICO  
2009**

I. PREAMBLE

The Polytechnic University of Puerto Rico, hereinafter referred to as the "University," is a nonprofit institution involved in teaching, research, and the dissemination of knowledge to the public. Faculty, staff, and students at the University, hereinafter referred to as "Members of the University Community," recognize the value of generating knowledge and the institutional need to encourage the production of creative and scholarly works and the development of new and useful materials, devices, processes, and other inventions, some of which may have potential for commercialization. Such activities contribute to the professional development of the individuals involved, enhance the reputation of the University, provide additional educational opportunities for participating students, and promote the general welfare of the public at large.

Such creative and scholarly works and inventions that have commercial potential may be protected under the laws of various countries that establish rights called "Intellectual Property," a term that includes patents, copyrights, trade secrets, trademarks, plant variety protection, and other rights. Such Intellectual Property often comes about because of activities of Members of the University Community who have been aided wholly or in part through use of facilities of the University. It becomes significant, therefore, to insure the utilization of such Intellectual Property for the public good and to expedite its development, publication, and marketing. The rights and privileges, as well as the incentives, of the authors, creators, or inventors, hereinafter

referred to as the “Originators,” must be preserved so that their intellectual capabilities and those of other Members of the University Community may be further encouraged and stimulated.

In order to establish the rights and obligations of the Members of the University Community in Intellectual Property of all kinds, the University has established the following Intellectual Property Policy. The University shall require, as a condition of employment, that all University faculty and staff agree to recognize and adhere to this policy. Students and other individuals working on research projects utilizing University assistance or University resources, facilities, property, funds, equipment, or other University Intellectual Property will be required to agree to recognize and adhere to this policy.

## II. RIGHTS TO INTELLECTUAL PROPERTY

### A. Sponsor-Supported Efforts

“Sponsor-Supported Efforts” generally refer to efforts made by Members of the University Community (mostly professors, research staff, and students) as part of or pursuant to a project or research supported by a grant or contract with the Federal, State, Puerto Rico or other government (or an agency or public corporation thereof), or a non-governmental entity (whether for profit or non-profit), or by a private gift or grant to the University. The University’s Sponsored Research Office shall review any such grant or contract from such government, non-government or private entities and determine which efforts qualify as “Sponsor-Supported Efforts”. The Sponsored Research Office

may solicit case-specific or continuous assistance from any other party or University office to complete this task.

Sponsored project agreements often contain specific provisions with respect to ownership of Intellectual Property developed during the course of such work, in which case the terms of such sponsored project agreement in relation to such ownership shall prevail. To the extent a sponsored project agreement is silent on the matter, all rights in Intellectual Property, including ownership, shall vest in the University, except as otherwise required by law.

Income, if any, derived from such Intellectual Property developed from Sponsor-Supported Efforts shall be shared in accordance with Section III.G, unless otherwise provided under the corresponding sponsored project agreement.

B. University-Assigned Efforts and University-Assisted Efforts

“University-Assigned Efforts” generally refer to efforts made by Members of the University Community as part of their scope of employment, a contract, prior agreement, or assignment. “University-Assisted Efforts” generally refer to efforts made by Members of the University Community or others while making significant use of the University resources, facilities, property, funds, equipment, or other University Intellectual Property.

Ownership of Intellectual Property developed as a result of assigned University effort, such as “University-Assigned Efforts”, shall reside with the University. Copyrightable works created by Members of the University Community in the course of his/her employment are considered to be works made for hire under the Copyright Law, with ownership vested in the employer. Notwithstanding the above, any general

obligation a Member of the University Community might have to produce scholarly and creative works does not constitute a work for hire or a specific University assignment. In any such case, said Member of the University Community shall grant a non-exclusive, perpetual, royalty-free license to the University to copy, reproduce, publicly distribute copies, make derivative works, and publicly exhibit such scholarly and creative works. Work specifically supported by University shall be considered assigned efforts rather than the general obligation to produce scholarly and creative works. For example, the copyright to textbooks, presentations and journal articles not specifically requested or ordered by the University nor due through a contract shall generally be owned by the Originators; nevertheless, the Originators may still have an obligation to present and disclose the content of any work to be published to the Sponsored Research Office so the work may be approved for publication. Furthermore, even when the Originator may own the copyright to a work, the Sponsored Research Office may determine that other Intellectual Property to the work (such as patents or trademarks) belongs to the University.

Ownership of Intellectual Property developed by Members of the University Community through an effort that makes significant use of University resources, such as "University Assisted Efforts", shall reside with the University. In general, the University shall not construe the provision of office space, access to library resources, or off-line office computers as constituting significant use of University resources. Significant use of University resources shall include, but not be limited to, use of research funding, use of University-paid time within the employment period, use of support staff, use of

telecommunication services, and the use of facilities other than office or library resources.

The Sponsored Research Office shall make a recommendation to the Intellectual Property Committee provided for in Section III.A. as to whether Intellectual Property should be considered a result of University-Assigned Efforts or University-Assisted Efforts. The Intellectual Property Committee shall make the final determination. The Intellectual Property Committee may also direct the Sponsored Research Office's evaluation process with rules and guidelines, as necessary.

Income, if any, derived from such Intellectual Property developed from University-Assigned Efforts or University-Assisted Efforts shall be shared as described below in Section III.G.

#### C. Individual Efforts

"Individual Efforts" generally refer to efforts made by Members of the University Community (mostly professors, research staff, and students) without making significant use of University resources, facilities, property, funds, equipment, or other University Intellectual Property. The Sponsored Research Office shall make a recommendation to the Intellectual Property Committee as to whether there was "significant use" and thus, whether Intellectual Property should be considered a result of Individual Efforts or of University-Assisted Efforts. As previously stated, the Intellectual Property Committee may direct the Sponsored Research Office's evaluation process with rules and guidelines as necessary.

Ownership of Intellectual Property developed by Members of the University Community through Individual Efforts shall reside with the Originator of such Intellectual Property, provided that:

- (1) There was no significant use of University resources in the creation of such Intellectual Property; and
- (2) The Intellectual Property was not developed in accordance with the terms of a sponsored project agreement; and
- (3) The Intellectual Property was not developed by faculty, staff, or students as a specific University assignment.

It shall be the responsibility of the Originator of the Intellectual Property to demonstrate to the Sponsored Research Office that this classification applies.

#### D. Theses, Capstone, and Graduate Projects

The ownership to the copyright of a thesis, capstone, and graduate project will vary as follows:

1. Students will generally own the copyright to their theses, capstone, and graduate projects, but they shall grant a non-exclusive, perpetual, royalty-free license to the University to copy, reproduce, and publicly distribute copies of such theses, capstone or graduate projects.

2. Theses, capstone and graduate projects generated pursuant to research financially supported, whether in whole or in part, from funds administered by the University, shall be owned by the University, except as otherwise agreed upon in any agreement, contract, or support or funding agreement.

3. The ownership to the copyright of theses, capstone and graduate projects generated pursuant to research performed, whether in whole or in part, with resources, facilities, property, funds, equipment, or other Intellectual Property provided to the University under certain conditions regarding copyright ownership shall be determined pursuant to such conditions.

All Intellectual Property to a thesis, capstone or graduate project, other than the copyright, shall be managed as provided in the other sections of this Intellectual Property Policy.

#### E. Consulting

Consulting for outside organizations may be performed by University faculty or staff subject to the terms of this Intellectual Property Policy. Any such consulting agreement with an outside organization must include a statement that the faculty member or staff has obligations to the University as described in this Intellectual Property Policy. In the event that there is any conflict between the obligations of a faculty member or staff under this Intellectual Property Policy and their obligations to the outside organization for whom they consult, the obligations under, and the terms of this Intellectual Property Policy shall prevail.

#### F. Research Notes, Data Reports, and Notebooks

Copyright protection subsists in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Research notes, research data reports, research notebooks, and

software created during research are included within the definitions of copyrightable materials and software. Their ownership is determined by Paragraphs II.A. through II.D.

#### G. University Use

The University shall have and retain the right to use Intellectual Property resulting from University-Assigned Efforts and from University-Assisted Efforts. The University shall also have and retain the right to use Intellectual Property resulting from efforts that make significant use of University resources.

### III. ADMINISTRATIVE PROCEDURES

#### A. Responsibility

The principles and policies set forth in this document shall be administered by the Sponsored Research Office under the guidance and advice of an Intellectual Property Committee. The Intellectual Property Committee shall consist of the following five members: the University's Vice President for Academic Affairs, the University's Legal Advisor, the University's Vice President of Finance, and two others, to be appointed by the President of the University. One of these five members shall be designated by the President to serve as Chair. Additional ad hoc members may be added by the Chair at any time as considered necessary.

#### B. Disclosure of Intellectual Property

The federal government provides a significant amount of funding to various departments of the University. Certain federal laws and regulations require that the University reports any inventions conceived or reduced to practice to the federal agencies sponsoring or funding the research that led to said inventions. When a private,

commercial, or industrial sponsor funds research efforts, the University usually incurs in similar obligations to report inventions.

Due to the foregoing, Members of the University Community must report and disclose to the Sponsored Research Office any Intellectual Property that they have invented, reduced to practice, made, authored, conceived, sketched, designed or otherwise created or originated as part or consequence of (a) a research funded by any governmental agency or authority; (b) a research funded by any private entity or third party; (c) a sponsored research agreement; or (d) the use of significant University resources, facilities, property, funds, equipment, or other Intellectual Property.

In addition, Members of the University Community shall promptly provide to their corresponding Department Director and to the Sponsored Research Office a disclosure describing their creative and scholarly works and new material, devices, processes, or other inventions which they consider may have commercial potential and which are a result of Sponsor-Supported Efforts, as defined in Section II.A., University-Assigned Efforts or University-Assisted Efforts, as defined in Section II.B. or of Individual Efforts, as defined in Section II.C..

C. Confidentiality

Certain contractual obligations and governmental regulations require that information be maintained in confidence. Additionally, some works, such as certain computer software, may best be protected and licensed as trade secrets, and inventions must be maintained in confidence for limited periods to avoid the loss of patent rights. Accordingly, the timing of publications is important, and Members of the University Community shall use their best efforts to keep the following items confidential:

(1) All information or material designated as confidential in a contract, grant, or the like;

(2) All information or material designated or required to be maintained as confidential under any applicable governmental statutes or regulations; and

(3) All information relating to Intellectual Property developed by Members of the University Community which may be protected under this Policy, until application has been made for protection.

D. Administration of Sponsor-Supported Efforts (II.A.), University-Assigned Efforts, and University-Assisted Efforts (II.B.)

The Sponsored Research Office has the responsibility to evaluate Intellectual Property developed from Sponsor-Supported Efforts, and from University-Assigned Efforts and University-Assisted Efforts, and to recommend to the Intellectual Property Committee whether to protect and license or otherwise commercialize such Intellectual Property.

E. Administration of Individual Efforts (II.C.)

It shall be the responsibility of Members of the University Community who are Originators to demonstrate to the Sponsored Research Office that Intellectual Property made, discovered, or developed while employed at the University as a result of individual effort meets the criteria set forth in Section II.C. Individual Efforts. In each case recommended by the Sponsored Research Office to, and agreed upon by, the Intellectual Property Committee, the Intellectual Property will be acknowledged as belonging to the Originator to dispose of as the Originator sees fit. Notwithstanding the above, the disclosure requirement defined in Section III.B. is waived for works of

authorship such as scholarly publications and articles and instructional material for internal use, which are readily shared with the public by the Originator, either in writing, electronically, digitally or through any other communications or technological means, without the need for further development or business or legal input.

F. Declined Sponsor-Supported Effort and University-Assigned-or-Assisted Effort Intellectual Property

Whenever the Intellectual Property Committee chooses not to protect, license or otherwise commercialize Intellectual Property, or chooses to cease protecting, licensing or otherwise commercializing Intellectual Property that is classified under Sponsor-Supported Efforts (II.A.) or under University-Assigned Efforts or University-Assisted Efforts (II.B.), such Intellectual Property, may be assigned by the University to the Originator to dispose of as the Originator sees fit, subject to any obligations to the sponsor or any other obligations under the law.

G. Revenue Sharing with Originators

1. Inventions

Net revenue, which is gross receipts received by the University from licensing or otherwise commercializing any inventions (whether patented or not), minus the out-of-pocket costs incurred by the University in protecting and licensing or otherwise commercializing such inventions, shall be distributed as follows:

(1) First \$5,000 of accumulated net revenue: 100% to Originators

(2) Over \$5,000: 33% to Originator; 33% to the budget of Originator's department within the University; 34% to the University's Administration.

## 2. Other Intellectual Property

Net revenue, which is gross receipts received by the University from licensing or otherwise commercializing intellectual property other than inventions, minus the out-of-pocket costs incurred by the University in protecting and licensing or otherwise commercializing such intellectual property, shall be distributed as follows:

(1) 33% to Originator; 33% to the budget of Originator's department within the University; 34% to the University's Administration.

In any case, the Originators share of net revenue shall be divided equally among joint Originators of jointly developed inventions or intellectual property, unless a written statement signed by all joint Originators that provides for a different distribution is filed with the President prior to the first distribution of shared net revenue.

## IV. MISCELLANEOUS

### A. Assignment

Whenever it is determined that Intellectual Property is owned by PUPR, the Originator(s) must assign the Intellectual Property to the University through the execution of an Assignment Agreement or any other document or agreement reasonably required by PUPR to perfect the assignment.

### B. Amendments

This Intellectual Property Policy may be amended at any time at the discretion of the Intellectual Property Committee. Any new policy will become effective upon approval by a majority of the Intellectual Property Committee.

## IV. DEFINITIONS

"Copyrightable Materials" shall include the following, whether in written, electronic, digital or any other form: (1) books, journal articles, texts, glossaries, bibliographies, study guides, laboratory manuals, syllabi, tests, and proposals; (2) lectures, musical or dramatic compositions, unpublished scripts; (3) architectural or engineering sketches and designs; (4) films, filmstrips, charts, transparencies, and other visual aids; (5) video and audio tapes or cassettes; (6) live video and audio broadcasts; (7) programmed instructional materials; (8) Mask Works; (9) research notes, research data reports, and research notebooks; and (10) other materials or works other than software which qualify for protection under the copyright laws of the United States or other protective statutes whether or not registered there under.

"Individual Efforts" refers to efforts made by Members of the University Community (mostly professors, research staff, and students) without making significant use of University resources, facilities, property, funds, equipment, or other University Intellectual Property.

"Intellectual Property" shall be deemed to refer to Patentable Materials, Copyrighted Materials, Trademarks, Software, and Trade Secrets, whether or not formal protection is sought.

"Mask Work" means a series of related images, however fixed or encoded: (i) having or representing the predetermined three-dimensional pattern of metallic, insulating, or semiconductor material present or removed from the layers of a semiconductor chip product; and (ii) in which series the relation of the images to one another is that each image has the pattern of the surface of one form of the semiconductor chip product.

"Members of the University Community" shall refer to Faculty, staff, and students at the University.

"Novel Plant Variety" means a novel variety of sexually reproduced plant.

"Originators" shall refer to authors, creators, or inventors of Intellectual Property.

"Patentable Materials" shall be deemed to refer to items other than software which reasonably appear to qualify for protection under the patent laws of the United States or other protective statutes, including Novel Plant Varieties and Patentable Plants, whether or not patentable there under.

"Patentable Plant" means an asexually reproduced distinct and new variety of plant.

"Software" shall include one or more computer programs existing in any form, or any associated operational procedures, manuals or other documentation, whether or not protect able or protected by patent or copyright. The term "computer program" shall mean a set of instructions statements, or related data that, in actual or modified form, is capable of causing a computer or computer system to perform specified functions.

"Sponsor-Supported Efforts" refers to efforts made by Members of the University Community (mostly professors, research staff, and students) as part of or pursuant to a project or research supported by a grant or contract with the Federal, State, Puerto Rico or other government (or an agency or public corporation thereof), or a non-governmental entity (whether for profit or non-profit), or by a private gift or grant to the University.

"Trademarks" shall include all trademarks, service marks, trade names, seals, symbols, designs, slogans, or logotypes developed by or associated with the University.

"Trade Secrets" means information including, but not limited to, technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers which: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

"University" shall refer to The Polytechnic University of Puerto Rico.

"University-Assigned Efforts" refers to efforts made by Members of the University Community as part of their scope of employment, a contract, prior agreement, or assignment.

"University-Assisted Efforts" refers to efforts made by Members of the University Community or others while making significant use of the University resources, facilities, property, funds, equipment, or other University Intellectual Property.