Agenda:

1. Call to Order
2. Approve the Minutes from January 28, 2014
3. Invite Ed Lazowska to Meet and Discuss IP Management
4. Review Revised Present Assignment Language for Work Request Form 1460 Proposed by IPMAC
5. Adjourn

1. Call to Order

Chair Astley called the meeting to order at 3:30 p.m.

2. Approve the Minutes from January 28, 2014

The minutes from January 28, 2014 were approved as written.

3. Invite Ed Lazowska to Meet and Discuss IP Management

Astley received a recommendation to invited Ed Lazowska to an upcoming meeting and will extend an invitation shortly.

4. Review Revised Present Assignment Language for Work Request Form 1460 Proposed by IPMAC

Sean O’Connor (Chair of IPMAC) provided a draft version of Work Request Form 1460 for review along with corresponding Frequently Asked Questions (FAQs). Astley reminded members that the major agenda item this year is to address the present assignment language in the current (May 2013) Work Request Form and approve a revised Work Request Form.

Concern was raised that the draft Outside Work Form has a mandatory patent assignment agreement which is at odds with what SCIPC recommended when this discussion was first brought to the table at the beginning of this academic year. O’Connor explained that the patent assignment agreement is narrowed down to patentable inventions conceived or actually reduced to practice in the course of UW obligations/activates and with more than de minimis use of UW equipment/supplies/facilities. In contrast to the current Work Request Form (anyone who conducts outside work has to sign an IP agreement) this proposal only applies to faculty involved in patentable inventions and excludes software.

Concern was raised that the term “present assignment” applies to the transfer of IP for any inventions now or in the future, rather than for a specific outside work project. O’Connor explained that when faculty members work with an outside company they are typically required to sign a present assignment agreement with the company. The present assignment grants the company ownership of the faculty member’s IP for patentable inventions conceived now and in the future. Future inventions can include
the faculty member’s future inventions at the UW. O’Connor explained that the proposed UW Patent Assignment Agreement will prevent this from happening.

O’Connor also clarified that the form removes vague language tied to the transfer of IP to specific terms, such as “conceived” and “reduced to practice”. If a faculty member’s invention was not conceived at UW then their IP is not assigned to UW. If a faculty member’s invention was not created at UW then IP is not assigned to UW. Concern was raised that it still transfers future IP to UW and faculty never know what their inventions could be until they are announced.

O’Connor explained the Stanford v. Roche case and how it relates to the current discussion. In the case, a Stanford researcher agreed to assign his inventions to Stanford but then signed an actual assignment of an invention to an outside company he was consulting for. The actual assignment language was in a “visitor confidentiality agreement” that he assumed was only a confidentiality agreement. Stanford later sought to patent the invention and enforce it against the outside firm, who responded that they owned or co-owned the invention. On appeal, the Court of Appeals for the Federal Circuit (the appeals court for all patent disputes) held that the visitor confidentiality agreement trumped the earlier executed agreement to assign between Stanford and the researcher.

In the Stanford v. Roche case the Court of Appeals for the Federal Circuit ruled that the outside firm’s “present assignment” agreement trumped Stanford’s earlier “agree to assign” contract with the researcher. This led Stanford to appeal to the Supreme Court. However, rather than contest the Federal Circuit’s ruling on which form of contract trumped the other, Stanford argued that the Bayh-Dole Act trumped any contract and that the invention was thus transferred from the researcher to Stanford by operation of law. Bayh-Dole governs the disposition of patent rights under federal funding agreements and some of the research was done at Stanford under NIH funding. However, this position was rejected by the Court. Bayh-Dole was passed only to determine ownership as between federal funding agencies and their contractors. Contractors were always required to obtain sufficient rights from their individual inventors (either employees or subcontractors) to meet the contractor’s obligations to the government. Accordingly, Bayh-Dole has no effect on whether contractors have secured rights from their employees/subcontractors. That is left to standard assignment contracts.

A comment was raised expressing disappointment that faculty appear to be in a situation where two institutions (the UW and an outside company) are vying to secure assignment of their IP. The faculty member loses rights to their IP either way. Holt explained that UW Center for Commercialization (C4C) helps faculty members negotiate with outside companies to ensure they do not sign away all their IP when they conduct their outside work. Holt also explained that “present assignment” language is common in most standard employment agreements, even for partial employment when UW faculty members are performing outside work.

Concern was raised about the timing and tense of the verbiage in the proposed form, specifically patentable inventions that may occur in the future. Regardless of the merits of a more clear form, faculty members will still be confused about the term “conceived” and “reduced to practice”. O’Connor explained that the FAQs answer those questions. A suggestion was made to clarify that the agreement is meant to protect faculty from outside companies acquiring IP that belongs to the UW and UW faculty member. O’Connor graphically illustrated this on the white board. A SCIPC member suggested a graphic such as this should be included in the FAQs.
Discussion ensued about the clause which addresses public domain. A question was raised asking how someone could invent a product and put it in the public domain if they do not own it. O’Connor explained that the faculty member has to receive it back from the university in order to release it to public domain.

Discussion ensued about Executive Order 36 and policy statements that cover IP ownership. When reading EO 36 it sounds like UW owns all faculty IP and that faculty are pawns of the institutions. A comment was raised that this only applies to work done at UW. For example, if a faculty member designs bicycle clothing during their weekends they have full rights to that product.

Concern was raised about how IP policy has evolved over time, making it unclear what policy a faculty member has agreed to follow in their UW employment contract. A suggestion was raised to include an effective date in order to provide clarity.

A question was raised about sponsored research. There is a special carve-out that will not trigger a present assignment agreement if an outside company wants to pay UW to use its labs. But what about the use of computers and space that are paid for by a grant secured by a faculty member. The UW did not furnish the faculty member with computers; rather the faculty member furnished the UW with computers. Although researchers receiving grants purchase their own computers and equipment, O’Connor explained that the grant is between the state and UW, not the state and the faculty member, so the individual is considered doing UW work.

Concern was raised that with this agreement faculty are no longer the stewards of their own technology if they are inventing products at UW. A comment was raised that UW is not industry and shared governance is an important aspect of a faculty member’s working environment. A comment was raised that present assignment limits academic freedom. If faculty are required to transfer all rights, title and interest of their patentable inventions, they no longer have full control over their academic pursuits. O’Connor explained that the world has not changed with the “present assignment” language; faculty members have been doing this from the beginning. What the patent assignment agreement does is make the divide very clear by limiting the agreement to only patentable items. O’Conner also stressed that if the invention has no commercial value it is considered excluded, even if it is patented.

Members discussed a timeline for finalizing a revised Outside Work Form. Committee members will review O’Connor’s draft proposal and provide suggested revisions to him by March 7th. Once O’Connor has a final version he will send it to SCIPC which will then vote to endorse or reject the updated Outside Work Form. A suggestion was made to include a statement that expressly says that UW is still working on overall IP policy. A comment was raised that this should be seen as an interim version while the committee is working on an official version to be implemented as soon as possible.

Members took a straw poll to determine if IPMAC/SCIPC are moving in the right direction on the Outside Work Request forms. Members unanimously agreed that IPMAC/SCIPC are moving in the right direction.

5. Adjourn

The meeting was adjourned by Chair Astley at 5:20 p.m.

Minutes by Grayson Court, Faculty Council Support Analyst, gcourt@uw.edu
Present: Faculty: Astley (Chair), Jacoby, O’Neill, Shen, Storti
President’s Designee: Holt
Ex-Officio: Miller, Gerrard, McNerney
Invited Guest: Sean O’Connor (Chair of IPMAC)

Absent: Faculty: Rubel, Teredesai
Ex-Officio: none