Meeting synopsis:

1. Call to order
2. Introductions
3. Pre-packaged IP clauses for sponsored research
4. Future agenda items
5. Adjourn

1) Call to order

The meeting was called to order by Shen at 3:30pm.

2) Introductions

Members introduced themselves to the committee.

3) Pre-packaged IP clauses for sponsored research

Fiona Wills (Center for Commercialization) and Todd Cleland (director for industry relations) were present to discuss pre-packaged IP clauses for sponsored research.

Wills explained the reason for the changes are due to lengthy negotiations of intellectual property (IP) terms in sponsored research agreements (SRA) which are a barrier for companies seeking to sponsor research at UW. There has been a push, especially from the College on Engineering, for providing potential corporate sponsors a research agreement with a pre-defined, up-front license fee that is a percentage of the total research expenditure. This agreement would provide the sponsor with an exclusive or non-exclusive license to any IP that is developed under the SRA. The funds the UW receives under this sort of arrangement would constitute “licensing revenue” under current royalty distribution policy. If IP is generated from the SRA and the company sells products any royalties on sales received by UW would be shared with the identified inventors pursuant to the standard royalty distribution formula.

Through this initiative UW would offer three different licensing options:

- Option to Negotiate License (No upfront fee. License fees are negotiated after the IP has been disclosed)
- Non-Exclusive License (5% of the total project cost, or $7,500, whichever is greater)
- Exclusive License (10% of the total project cost, or $15,000, whichever is greater)

Wills explained that other universities are participating in similar contracts and explained that faculty have the choice to opt in to the contact depending on their situation. Members discussed the benefits of these agreements, especially since it will attract potential sponsors that will provide an up-front fee.
Wills explained that these agreements will also provide greater opportunities for students to work on projects that will set them up with future jobs in their industry.

A question was raised about the term “intellectual property” and its definition. Discussion ensued about patents and copywrite being considered scholarly work. A comment was raised that the scope of patent rights can be unclear prior to the registration of patents which can then be attacked for validity. Wills explained that companies do not want to take the risk determining if a product will result in intellectual property which is why these agreements are attractive. A comment was raised noting that it would be worth decoupling intellectual property from valuable sponsor research output, such as commercially viable products even when a patent is not an outcome. A suggestion was raised to include language that addresses the fact that there is value in the research output itself, even when a patent does not result as part of the product. Discussion ensued about how copywrite relates to scholarly work. Members discussed their personal experiences in their own departments.

Wills explained that the investigator has the option to participate if they want to. A comment was raised that the agreement is important for the university to partner with smaller companies by offering a standard agreement, compared to individually negotiating with each company. Often times small companies are not sure what deal they are supposed to receive and by having a standard agreement it allows for greater clarity along with the ability to budget for their projects.

Concern was raised that by allowing these few options faculty may not feel like they have any other choice and feel pressured to abide by the pre-packaged agreements. A comment was raised this pressure is already occurring when faculty are partnering with companies. A question was raised asking where faculty can go if they are concerned about the arrangements they are making with these companies. Giffels explained that faculty can go to the Office of Sponsored Programs which will advise faculty on how to manage their project. Discussion ensued about how the agreements will create a new mechanism for faculty to coordinate their partnerships with industry.

A question was raised asking how similar these agreements are to peer institutions. Wills explained that the agreements are based on benchmarking schools that have already launched similar agreements, such as the University of Minnesota, University of Arizona and Georgia Tech.

Discussion ensued about how this new policy would apply to a book contract. In most cases books belong to faculty, not the university. For example, faculty do not typically require a UW contract to write a book and is considered their own personal income. Members discussed cases in which the book is created in connection with their regularly university work, whether the university has a claim on the product, and the implications of work-for-hire. Wills explained that under UW’s copywrite policy scholarly work is exempt from being assigned to the university. Discussion ensued about the university’s view on copywrite. A comment was raised that the decision in Stanford v. Roche blurs the line between copywrite and technology. A suggestion was raised to add language that is more nuanced, such as a statement explaining UW does not receive ownership of copywrite. Members debated the differences of entering into an agreement with preset terms versus an agreement where the terms are negotiated after the product is created.

Shen moved to submit a recommendation to the Senate Executive Committee to endorse/support the proposed pre-packaged IP clauses for sponsored research. The motion received unanimous approval.

4) Future agenda items
Holt provided a background of the recent discussions surrounding intellectual property. SCIPC and president’s Intellectual Property Management Advisory Committee (IPMAC) have been working together over the last year to re-write UW’s policy on intellectual property. The president has requested IPMAC to prepare a draft alternative IP policy which SCIPC will be able to review. Additional issues that IPMAC and SCIPC will be able to discuss includes the state ethics act, developing policy that accurately reflects how IP is actually created at the university, and how intellectual property impacts online courses and software.

A suggestion was raised to hold a joint meeting between SCIPC and IPMAC to ensure the two committees are working in parallel to each other.

5) Adjourn

The meeting was adjourned by Shen at 5:00pm.

Minutes by Grayson Court, council support analyst, gcourt@uw.edu

Present: Faculty: Tueng Shen (chair), Tom Andrews, Susan Astley, Dan Jacoby, Gerald Miller, Zahr Said, Duane Storti, Chuck Treser
President’s designee: Brad Holt
Ex officio representatives: Mike Rosenfeld, Samantha Shotwell
Guests: Joe Giffels (Office of Research), Fiona Wills (Center for Commercialization), Todd Cleland (director for industry relations)

Absent: Faculty: Ed Rubel, Ankur Teredesai
Ex officio representatives: Sonja Gerrard