



UNIVERSITY OF
SOUTH DAKOTA

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Intellectual Property

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I. REASON FOR THIS POLICY

The University of South Dakota (USD) has a responsibility to advance scientific knowledge and other creative works that will enhance its educational, research and service missions. The knowledge generated through research, scholarships and creative activity will benefit and transform the lives of the citizens of the State, nation and world, and facilitate the State's recent emphasis on economic development and growth through academic institutions. Thus, the purpose of this policy is:

- to encourage the development of creative works for the best interests of the creator, USD, and the public; and
- to nurture an entrepreneurial environment that encourages the creation and transfer to the public of the results of research and other scholarly activity; and
- to provide for the timely disclosure and protection of intellectual property rights in innovations whether by development, commercialization, publication, or any combination thereof; and
- to provide procedures for the protection of USD intellectual property and for the transfer of USD intellectual property for commercial application and benefit the public.

II. STATEMENT OF POLICY

APPLICABILITY AND OWNERSHIP

This Policy is applicable to all Employees.

The South Dakota Board of Regents (BOR), acting through USD, shall own all Intellectual Property (IP) Rights of Employees to Inventions conceived or first reduced to practice in whole or in part in the course of or as a direct result of duties with the institution, where (i) all or part of the attendant costs were paid from institutional funds or from funds under the control of or administered by the institution, or (ii) institutional facilities or resources were used in whole or in part to create the Intellectual Property, unless such resources or facilities are available without charge to the public or the applicable use fee has been paid. To specify rights in Intellectual Property, all Employees shall execute an “Agreement to Assign Intellectual Property Rights” after a provisional patent application has been filed, assigning to the BOR all right, title and interest in USD Intellectual Property.

Ownership of Intellectual Property resulting from sponsored research shall be subject to the terms of the sponsored grant or contract. In the absence of Intellectual Property terms in such grant or contract, ownership of research results shall reside in USD. For intellectual property developed under federally funded research contracts or grants, Employees shall execute an “Agreement to Assign Intellectual Property Rights” after a provisional patent application has been filled, assigning to the BOR all right, title and interest in Intellectual Property as required by the [Bayh-Dole Act\(35 USC § 18\)](#).

An Invention unrelated to an Employee’s employment responsibilities that is developed on his or her time and without USD support or use of USD resources, shall belong to the Employee, unless the work is performed by a professional Employee and is a continuation of a project undertaken during the Employee’s ordinary working hours.

Except for copyrightable works that have been specifically commissioned or created pursuant to an agreement to create such works (e.g., “work for hire”), USD does not claim copyright ownership of textbooks, monographs, scholarly works and other publications, creative artistic works, instructional materials including courseware, multimedia products, and materials prepared for telecommunication or other technologically assisted delivery of instruction. USD Employee-owned scholarly works created or used during instruction shall be subject to a non-exclusive, world-wide license to the BOR to use the instructional materials for educational and research purposes.

In addition to Patent Rights, USD shall own all rights, title and interest to Tangible Materials and Trade Secrets.

Employees who leave the employment of USD remain under continuing obligations to abide by this Policy about actions to further develop or protect USD Intellectual Property Rights. Furthermore, USD may require that copies of certain research data (lab notes and notebooks, research data, computer data storage, cell lines, and any other records that are commonly accepted in the research community as necessary for the reconstruction and validation of

reported results) be provided to USD upon termination of employment. See [BOR Policy 4.9.1](#).

DISCLOSURE AND PROTECTION

Employees have a duty and obligation to promptly disclose to the Vice President for Research any Invention arising from research on the prescribed USD Invention Disclosure Form, prior to disclosure to the public when possible. Furthermore, employees engaged in federally funded research are required to promptly disclose any inventions in accordance with the [Bayh-Dole Act\(35 USC § 18\)](#). The Invention Disclosure Form is available from the Office of Research and Sponsored Programs and may be accessed by reaching out to TTO@usd.edu or ORSP@usd.edu.

The Vice President for Research, in consultation with the IP Committee, will determine whether USD desires to secure protection of Intellectual Property Rights in the Invention and shall so inform the disclosing Employee(s). The decision may be appealed in writing to the Vice President for Research.

In the case that USD determines not to pursue protection or commercialization of an Invention, the disclosing Employee(s) may request USD to permit them to file a patent application or to have assigned to them the BOR's rights. The Vice President for Research, on behalf of the BOR, may grant such permissions. For Inventions receiving federal funding, these permissions are conditional upon approval from the federal funding agency. If USD so chooses, it may condition the release of Intellectual Property Rights subject to a revenue sharing requirement. If a revenue sharing requirement is in place on Intellectual Property released to the creator, USD's share will not exceed fifteen percent of Net Income.

Furthermore, on behalf of the BOR, USD shall reserve a non-exclusive, no cost, limited license to use the subject Invention for research and educational purposes only.

LICENSE AGREEMENTS

Agreements granting licenses to USD Intellectual Property to third parties is encouraged. The Vice President for Research shall be responsible for negotiating any such agreements. Final approval of the terms of any such license agreements, as well as signatory authority for license agreements, lies with the Vice President for Research.

The formation of companies under the Small Business Innovative Research (SBIR) or the Small Business Technology Transfer (STTR) programs of Federal agencies to secure a license to USD Intellectual Property is also encouraged, contributing to the economic development and growth of South Dakota.

The Vice President for Research shall inform the disclosing Employee(s) on a regular basis of the progress of protection and commercialization efforts.

AVOIDANCE OF CONFLICTS

When an organization in which an Employee holds financial interest seeks to enter into a sponsored research agreement, license agreement or other contract with USD, or when such organization seeks to use the facilities and resources

of USD in any manner, the Employee has a duty and obligation to report the proposed relationship to the Vice President for Research before entering into any such relationship. The matter will be referred to the COI Committee for review and recommendation to the Vice President for Research for resolution. For further information, see BOR Policies 4.9.4 (Investigator Financial Disclosure) and 4.9.3 (Conflict of Interest).

DISTRIBUTION OF INCOME

Where USD retains title to Intellectual Property Rights and income is created under a license agreement, the Employee will receive 50 percent (50%) of all Net Income realized by USD from commercialization of the Intellectual Property. Where two or more USD Employees contributed to the creation of the Intellectual Property, the Employee's share of Net Income will be divided among them equally, unless the Employees agree upon a different distribution and notify the Vice President for Research in writing of their agreement. Individuals who are entitled to share in Net

Income hereunder shall continue to enjoy such rights should they leave the employment of USD.

BOARD OF REGENTS INTELLECTUAL PROPERTY POLICY

If the Creator has questions about USD's protection or commercialization of Intellectual Property, the Creator is encouraged to secure a copy of BOR Policy 4.9.4.

This USD Policy is intended to serve as an abbreviated version of BOR Policy 4.9.1, "Intellectual Policy." Should any inconsistency arise between the two versions, the BOR Policy prevails.

III. DEFINITIONS

INVENTION OR INNOVATION: a new discovery or other creative work that reasonably appears to qualify for intellectual property protection under the laws of the United States.

PATENT: an international system of protection for Inventions by which an owner can prevent others from making, selling or using the subject Invention. A United States patent is obtained through application to the U.S. Patent and Trademark Office (USPTO) and provides exclusionary rights in the United States for a period of twenty years from the date of filing. International patent applications may be filed for similar protection in other countries.

COPYRIGHT: protection afforded to an original work of authorship fixed in any tangible medium of expression from which it can be perceived, reproduced or communicated. Examples include books, scholarly articles, software, musical or dramatic works, sound recordings, pictorial works, etc. Copyright protects the work of authorship from unauthorized reproduction. Copyright provides protection for the expression of an idea, but not the idea itself.

TRADEMARK OF SERVICE MARK: a distinctive word, design or graphic symbol that distinguishes an organization's identity, goods or services of one party from those of another party.

TANGIBLE MATERIALS: tangible items produced during research, such as biological materials, computer databases, sensors, prototype devices, etc. Tangible materials are typically shared with third parties under the auspices of a Material Transfer Agreement or other form of contract.

PLANT VARIETY PROTECTION (PVP): the right to control the propagation and distribution of plant varieties that have been certified for plant variety protection by the United States Department of Agriculture by virtue of being new as defined in the PVP Act.

TRADE SECRET: any formula, pattern, compilation, program, device, method, technique or process that (i) derives independent value from not being generally known to other persons, and (ii) is subject of efforts that are reasonable under the circumstances to maintain its secrecy.

INTELLECTUAL PROPERTY OR INTELLECTUAL PROPERTY RIGHTS: collectively, all forms of protection afforded to Inventions or Innovations by the laws of the United States, including but not limited to patent, copyright, trademark, PVP, and trade secret protection.

EMPLOYEES: (i) all persons employed by USD, and (ii) any other persons using USD facilities, equipment or infrastructure under the supervision of USD personnel to create innovations, including but not limited to visiting faculty and adjunct faculty, unless other provisions have been made in writing for management of the works of such personnel.

NET INCOME: gross revenue resulting from commercialization of Intellectual Property Rights, less all costs incurred in commercializing said property, and in obtaining and maintaining intellectual property protection, domestic and foreign.

INTELLECTUAL PROPERTY (IP) COMMITTEE: A Senate approved standing committee whose purpose is to review disclosures of inventions and to provide a forum for discussion of Intellectual Property Right policies and procedures. Recommendations of the IP/COI Committee are made to the Vice President for Research.

IV. PROCEDURES

Not applicable

V. RELATED DOCUMENTS, FORMS AND TOOLS

[Bayh-Dole Act\(35 USC § 18\)](#)

South Dakota Board of Regents Policy 4.9.1: [Intellectual Property](#)

35 USC Ch. 18: PATENT RIGHTS IN INVENTIONS MADE WITH FEDERAL ASSISTANCE