



Ohio Administrative Code Rule 3349-20-50 Intellectual property.

Effective: February 14, 2019

(A) Purpose

Under Ohio law, all discoveries or inventions resulting from research or investigations conducted in any college or university are the sole property of the university. The purpose of this rule is to establish a framework for university intellectual property protection and development that will transfer the benefits of its innovations to society, and at the same time, obtain appropriate financial gains for the university and its inventors.

(B) Scope

(1) This rule applies to all discoveries, inventions, or innovations made by any university employee if such discovery or invention was:

(a) The result of research carried on by or under the direction of any university employee, the cost of which was paid for, in whole or in part, with funds of, under the control of, or administered by university; or

(b) The invention, discovery, or innovation resulted from efforts by a university employee using university facilities or resources available as a result of his or her employee status.

(2) Inventions not involving any university funds, equipment, facilities, or personnel are the property of the inventor, so long as the invention, discovery, or innovation is not in a substantive area of research in which the inventor is customarily engaged on behalf of the university.

(C) Definitions

(1) "Composition of Matter." Generally relates to chemical compositions and can include mixtures of ingredients as well as new chemical compounds per se.



(2) "Conditions of Patentability." The person who first invents or discovers must demonstrate that it is new, unobvious and useful. Any process, machine, manufacture, or composition of matter, or any new and useful improvements thereof. Obtain a patent, subject to conditions and requirements of the patent statute. An inventor must apply for a patent before one year has gone by from the date the inventor first describes the invention in a printed publication or uses the invention publicly; otherwise any right to a patent will be lost.

(3) "Copyright." Original works of authorship fixed in tangible media of expression.

(a) "Works of Authorship" include but are not limited to literary, musical, dramatic, audiovisual, architectural, pictorial, graphic and sculptural works and sound recordings. Computer software are works of authorship to the extent they are protected by the federal copyright laws.

(b) "Tangible Media of Expression" include physical, digital and other formats now known or later developed form which copyrightable works may be stored, reproduced, perceived or otherwise communicated, either directly or with the aid of a machine or device.

(4) "Date of Conception." The date the idea for a new product, process or composition of matter first occurs to the inventor.

(5) "Direct and Significant Allocation of Resources." A requested and approved allocation of resources not routinely available to members of an employee's unit. University resources include, but are not limited to, staff time, equipment, funds, computer usage and release time from assigned duties. Clarification of whether an allocation is "direct and significant" should be sought by the employee at the time of the request for allocation.

(6) "Disclosure." Reporting of an invention or discovery in sufficient detail to communicate an understanding of the invention or discovery.

(7) "Discovery." The finding out of some substance, mechanical device, improvement or application not previously known. It is something less than invention and may be the result of industry, application or be merely fortuitous.



- (8) "Employee." Any part-time or full-time faculty, staff or student or volunteer appointee of the university whether paid a salary or not.
- (9) "Intellectual Property." Inventions, discoveries, innovations, and copyrightable works.
- (10) "Innovation." A new model, idea, or product. A useful application of new inventions or discoveries.
- (11) "Invention." The act or operation of finding out something new; the process of contriving and producing something not previously known or existing by the exercise of independent investigation and experiment. Inventions include, but are not limited to, products, methods, or uses, whether or not they are patentable.
- (12) "Inventor." One who invents or finds out something new; a contriver; especially, one who invents mechanical devices, new drugs, new processes, or other useful objects or procedures.
- (13) "Manufacture." (Noun) all manufactured articles.
- (14) "Net Royalties." Gross royalties or other payments, such as option payments, received by university, minus any fees or costs directly attributable to the invention being licensed. Examples of such direct fees are patent filing fees, fees for patent searches and legal advice, fees arising out of litigation, marketing costs and maintenance fees. Indirect university overhead and other costs normally associated with the operation of a university shall not be deducted from gross royalties or otherwise allocated to costs or fees associated with the invention.
- (15) "Patent" is a grant via the United States patent and trademark office to an original inventor of certain rights as defined by the claims of the patent. The term of a patent is seventeen years from the date of the grant. The right conferred by the patent is the right to exclude others from making, using, or selling the invention (as defined in the patent claims). Separate application must be made for foreign patent rights.
- (16) "Prior Art." Existing patents or other publications which describe or teach the subject matter



proposed to be patented.

(17) "Publication." A published article or abstract in a technical journal, bulletin, newspaper, textbook or other tangible medium which gives sufficient information about the discovery or invention to permit one skilled in the art to practice the invention.

(18) "Reduction to Practice." The act of successfully completing an invention, including demonstrating its usefulness for its intended purpose.

(19) "Software." Computer instructions (algorithms and code), data and accompanying documentation.

(a) "Algorithm" means a logical arithmetical or computational procedure that if correctly applied ensure the solution of a problem.

(b) "Source Code" means an original computer program written by a programmer in human-understandable form. It is converted into the equivalent object code (written in machine language) by the compiler or assembler in order to run on a computer.

(c) "Object Code" means the form of a program that is executable by a machine, or usable by an assembler that translates it directly to machine-understandable language. This form of software is not readable or modifiable by human beings other than through extraordinary effort.

(20) "Trade Secret." Information, including a formula, pattern, compilation, program, device, method, technique, or process that: (a) derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

(21) "Unobvious." Not obvious to a person having ordinary skill in the art to which said subject matter pertains.

(22) "Work Made for Hire." Includes works prepared by an employee as a specific responsibility of



the position for which the employee is hired, works specifically commissioned or ordered by university for which a written agreement specifying copyright ownership has been executed prior to the completion of the work, works created under a sponsorship/contractual agreement with copyright provisions defined, and other work created through a direct and significant allocation of university resources to a specified project. *Note: A faculty member's general obligation to produce scholarly works does not constitute a specific responsibility as included in this definition.

(D) Body of the rule

(1) General considerations

(a) The university education and research missions are preeminent over that of the transfer and commercialization of research results.

(b) The university is committed to active engagement and support of innovation, technology development and entrepreneurial activities through the efficient and effective deployment of its resources for the betterment of society and the generation of unrestricted revenue to support its mission.

(c) University resources may be used for non-university purposes so long as they are appropriately serve the public interest. Any such use must be in conformance with university rule and set forth in appropriate agreements between the parties.

(d) The university will respect the intellectual property of its partners and collaborators.

(e) When the university owns intellectual property under this rule, the inventor or creator may play an active role in the entire licensing process, unless such participation is inconsistent with conflict of interest regulations or university rule.

(2) Patent rule

Goals



The goals of the patent rule are to define the rights and interests of all parties in the context of academic freedom, provide incentives and institutional support to those employees whose research and scholarly activities lead to inventions, discoveries, or innovations that might be patented for societal use and to provide for equitable distribution of income resulting from inventions, discoveries, and innovations between university and the inventor.

(3) Publications

It is well understood that publication of research results is an essential part of the activity of a university researcher. The university rule recognizes this need; however, timing of the publication of research results, in light of patent activity, can be of critical importance. Failure to take timely steps to patent can result in possible reduction in, or the entire loss of, adequate patent protection in the United States or abroad.

The safest course is to file a United States patent application before any public use, disclosure or sale of the invention occurs. There is a period of one year from the date of publication to file an application for a United States patent; however, in most foreign countries, the publication itself bars valid patent protection with no grace period.

(4) Government grants

Under The Bayh-Dole Act or Patent and Trademark Law Amendments Act, Pub. L. 96-517, (1980)

The university generally is able to obtain title to inventions and patents arising under United States government contracts/grants, subject to certain rights reserved by the government, provided that invention reporting requirements and formalities are followed.

(5) Technology commercialization activity

Inventions disclosed to the university will be evaluated to determine scientific merit, likelihood of patentability or other protection, potential for societal benefit, market potential, barriers to market and other criteria concerning commercialization potential..



(6) Rights and obligations of the parties

(a) In accordance with section 3345.14 of the Revised Code, unless otherwise modified by contract, all rights to and interests in discoveries or inventions to which this rule is applicable shall be the sole property of university. Rights to inventions arising in the course of government and other sponsored research may be controlled by the terms of the underlying research agreement.

(b) Inventor rights and obligations

(i) Confidential disclosure of the invention to the general counsel shall precede an inventor's public disclosure, publication of information concerning an invention, discovery, or innovation. Once an invention, discovery or innovation is reduced to practice, an invention disclosure form shall be promptly submitted by the inventor to the general counsel. Invention disclosure forms are available from the general counsel or on the university website.

(ii) University requires that researchers maintain adequate laboratory notebooks which document critical information about the discovery or invention. Guidelines for the format of these laboratory notebooks are outlined in attachment "C." Notebooks and other materials pertaining to research activities leading to a patent application are the property of university and will remain at university even after termination of employment.

(iii) The inventor shall assign title to the invention, discovery, or innovation to university.

(iv) The inventor shall cooperate in:

(a) Executing applications and legal documents;

(b) Any litigation arising out of the patent application; and

(c) Reasonable marketing efforts related to the invention or discovery.

(v) The inventor has a right to receive a share of any royalties or licensing fees received for the discovery, invention or innovation according to the schedule contained in paragraph (D)(10) of this



rule.

(vi) If the general counsel and the vice president for research recommends that university surrender all rights in the discovery or invention and the president agrees with this recommendation, the president will have the authority to surrender all rights of the university with respect to the discovery, invention, or innovation. After surrender, the inventor shall have the option to pursue a patent application in the inventor's own name at his/her own expense, in which case, any royalties or licensing fees received would be the sole property of the inventor; however, the inventor will grant to university a royalty-free, irrevocable, perpetual, non-exclusive license to make and use the invention for its own purposes.

(vii) The inventor has a right to timely publication of his or her findings as required by the principles of academic freedom, subject to the university's right to protect its interest in the intellectual property.

(7) University's rights and obligations

(a) University has the sole right to license, sell, assign, or otherwise dispose of the rights to inventions, discoveries, or innovations which are owned by or have been assigned to university.

(b) The university shall timely determine whether it chooses to retain or assign title, submit to an external source for evaluation of patentability, file a patent application or surrender title to the inventor.

(c) Should the university choose to file a patent application, it shall file in a timely manner any documentation necessary to prosecute a patent and shall pay all filing fees, maintenance fees, attorney fees and other costs related to prosecuting and maintaining the patent. These costs will be recovered by the university before any payments are made in accordance with this rule.

(8) Administration

The general counsel and the vice president for research shall have overall responsibility for administration of the university's patent program, including assuring valuable property rights are not



lost. Specific responsibilities shall be to:

- (a) Function as contact points and resources with regard to this rule and procedure;
- (b) Receive reports of all discoveries or inventions that are subject to the university's patent rule;
- (c) Conduct or cause to be conducted due diligence studies to determine patentability, market potential, barriers to market, and other criteria deemed necessary to determine commercial potential.
- (d) Act upon the due diligence conducted to promote the interests of the university and to the extent appropriate the university inventors.

(9) The general counsel and the vice president for research may utilize university funds to engage appropriate consultants, legal and business professionals to evaluate all discoveries and inventions disclosed to university for potential patentability and commercialization. These reports will be sent directly to the general counsel and will be protected from disclosure under attorney work product.

(10) Royalties

(a) For all inventions for which the university receives royalties or other payments, the net royalties will normally be distributed as follows:

Forty per cent to the inventor(s)

Twenty per cent to the inventor's department(s)

Twenty per cent to the university research and office

Twenty per cent to the technology transfer office

(b) All monies received by the departments, the university research office, or university technology transfer office are considered university funds and will be administered in accordance with established accounting procedures.



(c) If multiple inventors are involved, the royalties as specified above shall be distributed equally among the parties set forth in paragraph (D)(10)(a) of this rule, unless a written proposal for an alternate distribution is jointly presented by the inventors and approved by the general counsel and the vice president for research.

(d) The inventor shall continue to receive the specified share of royalties even when the inventor is no longer affiliated with university. In the event of the inventor's death, royalties due and payable under this rule will be paid to the inventor's estate for the remainder of the royalty period.

(e) The inventor's department(s) shall continue to receive the royalties specified in this rule as long as the inventor is affiliated with said department. Should the inventor leave the university, all departmental royalties shall become the sole property of university and will be shared equally by the university research office and technology transfer office.

(11) Research agreements collaborators and industry involving patent rights

It is not uncommon for university employees to receive awards to conduct research which are funded by private industry. It is also not uncommon for employees to conduct research in cooperation with colleagues at other institutions. University recognizes that, to continue these relationships, it must be willing to consider a variety of contractual terms and conditions. In order to protect traditional academic freedom, to assist employees in evaluating proposals and to protect university's interest in discoveries, inventions, or innovations, the following policies shall apply to these external relationships:

(a) All written agreements with private industry or with other institutions utilizing university resources to conduct research must first be reviewed by the general counsel and the vice president for research. The general counsel and the vice president for research will only approve those agreements which assure that the rights of the university are appropriately protected.

(b) In dealing with inventions which are conceived or developed in the course of research sponsored by a third party and/or pursuant to an agreement with another institution, the university will abide by the terms of the agreement with that third party. Where an option exists, the university will seek



agreements and contracts, or waivers thereof, that will allow patent rights to remain with university.

(c) University will not waive the right to publish results of research. University will only agree to delay publication for reasonable periods of time so appropriate action can be taken to protect patentable discoveries or inventions. In agreeing to delay publication for a reasonable period, university will not agree to delays that effectively inhibit a student's timely completion of a course or degree.

(d) Title to all documents, records, biological materials, software, databases, notebooks and other repositories of information from research shall be held by university. Those materials must remain at university should the inventor's employment at university be terminated for any reason, unless specifically authorized by the university.

(e) University will agree that proprietary information remains the property of private industry. However, written agreements must clearly define what information is considered to be proprietary in nature.

(f) University will agree to protect the trade secrets of third party research sponsors. Trade secrets will be kept confidential and will not be subject to disclosure under the provisions of section 149.43 of the Revised Code. If a request for such information is received, the university will notify the owner of the proprietary information of the request so that they may timely file objections with a court of competent jurisdiction.

(12) Copyright rule

(a) The university copyright rule seeks:

(i) To maximize academic freedom and creative expression for the public good;

(ii) To preserve traditional academic practices and privileges with respect to the publication of scholarly works;

(iii) To apply uniform principles and procedures that provide allocation of income resulting from



commercial publication;

(iv) To apply funds accruing to university from copyrighted materials to advance and encourage scholarly endeavor;

(v) To disavow any claims by university in an individual's copyrightable work simply because of the individual's membership in the university community; and

(vi) To protect university's assets and preserve its reputation of excellence.

(b) Copyright ownership

(i) The university encourages scholarly and creative activity by faculty, students and staff. These activities include the production of works resulting from academic research or scholarly study. Authors of copyrightable works may register the copyrights and publish the works as their own except for "works made for hire" or any other work specified in this rule or covered by an agreement to the contrary. In the case of a "work made for hire", the employer or contractor by law is the author, and hence the owner of the copyright. University's general counsel in consultation with the author and the vice president for research shall determine if work is made for hire.

(ii) Personal copyrights

Works by a university employee which do not use the significant resources of the university as set forth in this paragraph, are not works made for hire, and are not subject to a written agreement to the contrary are the property of the employee. This category includes the products of research and scholarship, and other creative and artistic works. Employees may contribute their copyright interests to university. If accepted, a confirming agreement will be executed.

Individuals often use significant university resources in their work. University requires that its resources be used for university purposes and not for personal gain, commercial advantage, or any other non-university purpose. Unless the author or creator of the work obtained written authorization from the vice president for research and the general counsel prior to using significant university resources, university may claim copyright to works produced with significant use of its resources,



are considered university property. University property includes works that are supported by a specific allocation of university funds or that are created at the direction of the university for a specific university purpose.

The university will retain title to all copyrighted software developed by, or substantially with, university resources, unless prior written waiver of university rights is issued.

(iii) The following notice is to appear on all university-owned material:

Copyright "C" (year) Northeast Ohio medical university Rootstown, Ohio. All rights reserved.

The date in the notice should be the year in which the work was first fixed in any tangible mode of expression.

(iv) The general rule of the university is to register only those of its works which have potential for royalty return. University copyright ownership may be relinquished only upon the authorization of the vice president for research and the general counsel. These officers are authorized by the board to surrender such rights if they believe it is in the best interest of the university to do so. If such rights are relinquished, the university will retain a non-exclusive, royalty free, license to use these works.

(v) Sponsored works

The disposition of copyrights of works created with support from an outside sponsor shall be governed by an agreement.

(c) Rule administration

The general counsel with the vice president for research will:

(i) Determine the rights of university in any copyrightable works created or to be created with university resources;

(ii) Develop and approve agreements for the use of university resources in the creation of



copyrightable works;

(iii) Provide assistance as appropriate for securing the registered copyright to the works the university deems it appropriate;

(iv) Provide assistance in licensing or distributing copyrightable works in which university holds;

(v) Distribute royalties to the author or others as set forth in pertinent agreements.