



THE UNIVERSITY OF SOUTH CAROLINA

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Patent and Copyright Committee

ANNUAL REPORT

July 1, 1993 -- June 30, 1994

During the past year, The Patent and Copyright Committee met six times. Six disclosures were heard, and recommendations regarding invention category and equity distribution were forwarded to the Provost. In the case of Category 2 inventions, an equity distribution of 40% was recommended.

In other business, on October 6, 1993, the Committee presented to the Faculty Senate a recommendation for formalizing the "Standard Equity" to be distributed to inventors at 40%, up from the previous 25%. This motion, a copy of which is appended, was overwhelmingly approved.

The Committee currently is looking into a number of issues, including considering the extent to which the procedures for dealing with patents, copyrights, and possibly other intellectual properties might be standardized; updating the software policy; regularizing the copyright policy; and considering the question of just what formal role the university is to have in matters of "Intellectual Properties" in general.

The members of the Committee this year are to be commended for expending the time and effort to consider a number of issues which are crucial for clarifying the interface between the university and individual faculty members with regard to the rights to and the ownership of "intellectual properties."

Respectfully submitted,

Ralph W. Mathisen

Chair, Patent and Copyright Committee

**REPORT AND MOTION OF
THE PATENT AND COPYRIGHT COMMITTEE
For Consideration by the Faculty Senate
at the Meeting of October 6, 1993**

The University, as one of the duties of the Office of Technology Transfer, engages in processing patentable discoveries and marketing the rights to patents which result from inventions made by USC personnel who make use of University resources in their work. The income that results from such marketing is known as the "equity." This equity customarily is divided between the University and the Inventor(s). The percentage distributed to the Inventor(s) is known as the "Standard Equity." The 1986 edition of the Faculty Manual (p.55), sets the Standard Equity at 25%. In recent years, however, the practice sometimes has been to allocate a greater percentage of the equity to the Inventor(s). One reason for doing so has been to encourage faculty members to create and disclose patentable discoveries. Another reason has been that most neighboring institutions allocate a greater share of the equity to Inventors: this is demonstrated by a recent survey (appended) performed by the Office of Technology Transfer. In order to make USC practice more consistent with that of other institutions, therefore, and in order to reward USC inventors adequately for their inventions, the USC Patent and Copyright Committee makes the following recommendation, which we refer to the Faculty Senate for a vote:

"The USC Patent and Copyright Committee recommends that the USC Administration make and implement whatever changes in policy are necessary to ensure that the "Standard Equity" to be distributed to inventors will be set at 40% of the income that remains after patent expenses (as defined by the Office of Technology Transfer and the Legal Office) have been met. Any such new policies regarding equity distribution will be circulated to the appropriate Faculty Committees for discussion."

Respectfully submitted,



Ralph W. Mathisen
Chair,

USC Patents and Copyrights Committee