

INTELLECTUAL PROPERTY COMMITTEE
Annual Report
2003 – 2004

COMMITTEE MEMBERSHIP:

Elected Members (Term)

John Woods, IPC Chair, Medicine and Public Health (2001-2004)

Christine Whitaker, University Libraries (2001-2004)

Jim Ritter, Engineering (2002-2005) (Finishing the term of Lewis Johnson)

Vicki Vance, Biology (2002-2005)

Steven Hinckley, IPC Chair-Elect, Law Libraries (2003-2006)

Carleen Stoskopf, Public Health (2003-2006)

Appointed Members

George Lampl, Associate General Counsel, Office of the General Counsel

Anthony Boccanfuso, Managing Director, USC Research Foundation

Tom Militello, tAM Associates, Inc. (Community Member)

Intellectual Property Office (Ex Officio Member)

Lisa Rooney, Director USCRF Intellectual Property Office (Voting for Dr. Boccanfuso)

COMMITTEE ACTIVITIES:

The Intellectual Property Committee scheduled meetings monthly from July, 2003 through August, 2004. In addition to its routine activities, such as discussion and recommendation of Category I invention disclosures, the Committee spent additional time reviewing the existing faculty and University policies related to intellectual property. A subcommittee was formed (Hinckley, Lampl, Militello, Rooney, Whitaker, and Woods) to work on revising the policy. The subcommittee was assisted by two interested faculty members (George Khushf, Philosophy Department, and Webster West, Statistics Department). The Committee voted to recommend the adoption of a significantly revised *Patent and Copyright Policy* and to make it a University policy, rather than a Faculty Manual Policy, since it would now cover all University employees, not just faculty members. Policy revisions are discussed more fully in the “Chair’s Statement” of this report.

DISCLOSURES PROCESSED:

During the reporting period, 59 invention disclosures were received and processed by the Intellectual Property Office. Two of these disclosures required review and recommendations by the Intellectual Property Committee.

KEY ISSUES ADDRESSED:

Last year the Committee identified several key policy issues, including issues of inventor ownership of intellectual property, and ambiguity in the definition of “substantial use of University resources”, suggesting the need for revision of the Patent and Copyright

Policy. Following on that work, this year's Committee focused on revising the University's Patent and Copyright Policy. Details of that work are summarized in the "Chair's Statement".

EDUCATION SESSIONS:

Outreach and education continues to be a standard activity of the Intellectual Property Office. During the reporting period the office hosted five (5) education sessions. The Intellectual Property Office website also continues to be a source of information and guidance. The site can be accessed at <http://ip.research.sc.edu>. Marketing materials for the University's intellectual property portfolio can also be found on the website.

CHAIR'S STATEMENT:

During the 2003-2004 academic year, the Intellectual Property Committee undertook the major effort of rewriting the University's *Patent and Copyright Policy*. This effort grew out of the work of last year's Committee, which identified the need to clarify and revise the policy reference to faculty who make "substantial use of University resources".

The "substantial use" clause affects a faculty member's right to claim ownership of an invention. However, ambiguity in the definition of "substantial use" made it difficult to interpret and apply the policy in specific cases, and it created misunderstandings, especially when inventors claimed ownership of intellectual property that was closely related to their field of research and scholarship at the University. Therefore, last year's Committee recommended that the policy be revised so that faculty members or other University-affiliated inventors could receive ownership of intellectual property when (a) there is a "clear separation" from the University of the work and funding that results in the creation of intellectual property, (b) when the property is not dependent on disclosed or undisclosed property that rightfully should belong to the University, (c) when the inventor's time was properly documented as an approved "outside professional activity", and (d) when conflict-of-interest concerns are properly declared and dealt with in a timely fashion.

A related issue, identified by last year's Committee, was the lack of clear guidance regarding procedures for licensing back University-owned intellectual property to the inventor. For some inventors, their professional careers may seem incomplete if intellectual property emanating from their research is either (a) orphaned due to lack of resources or motivation on the part of the University to commercialize it, or (b) licensed to partners that are remote from the University, are not a part of the local economy or business environment, and make little use of faculty expertise, laboratory facilities, or graduate students to further develop the property. For these reasons, it was felt that University policy should encourage practices that result in the licensing of University intellectual property to local inventor-owned businesses.

Following-up on these ideas, this year's Committee undertook the process of rewriting the *Patent and Copyright Policy*. To assure that all constituents had an opportunity to be heard, the Committee took the unusual step of opening its deliberations to interested faculty. This was accomplished as follows:

- (a) Key faculty members who had previous experience as inventors, or who otherwise had an interest in, or knowledge of intellectual property issues, were invited to participate in regularly-scheduled Committee meetings. Several faculty members attended, including George Khushf, a member of the Philosophy Department with expertise in organizational ethics and a co-investigator on the Nanotechnology Grant, and Ralph White, the Dean of Engineering, which produces many of USC's intellectual property disclosures.
- (b) A University-wide e-mail was sent to the entire USC community with an invitation to attend an open "hearing" regarding intellectual property policy. The hearing was held in the Daniel Management Center of the Business School and was attended by faculty from the main campus in Columbia, as well as several branch campuses. At the hearing, the Committee Chair provided a brief overview of the Intellectual Property Office and the current thinking of the Committee regarding policy revisions. A recent faculty inventor from the Statistics Department, Webster West, presented his experience in working with USC to commercialize a software product and offered a critique of current USC policies and procedures. The session concluded with discussion and suggestions from the audience.
- (c) The Intellectual Property Office posted a draft of the policy on their website and created a portal for faculty to comment via e-mail.
- (d) A subcommittee was then created to rewrite the current policy in light of the comments gleaned from the sessions with faculty and from last year's Committee discussions. Faculty who were not members of the committee also attended one of these subcommittee meetings. During several meetings the subcommittee created 8 draft iterations of the new policy.

The full committee then met three times to review and further refine the subcommittee draft. These meetings produced two more drafts with input from the full Committee membership. The Committee voted to accept the 10th draft as its final recommendation.

This work has resulted in the following:

- (a) **The Committee voted to recommend that the existing *Patent and Copyright Policy in the Faculty Manual* be replaced by a University administrative policy, and that a three-paragraph reference to the University Policy be placed in the Faculty Manual.** The rationale for this recommendation was two-fold. First, it was felt that the policy should cover all university-affiliated inventors, including staff and students, not just faculty. Second, it was felt that the new policy might continue to need minor revisions, especially in regard to the copyright portion, which received less Committee attention, and revisions to a University policy are easier to accomplish. A copy of the three-paragraph statement was forwarded to John Olsgaard and to the Faculty Advisory Committee for their review.

- (b) **The Committee voted to accept Draft #10 of the rewritten policy.** The draft policy has been forwarded to the Provost and the Vice President for Research and Health Sciences for further vetting by the University. Copies have also been sent to the Faculty Advisory Committee and the Faculty Senate Office.

The final policy has been substantially rewritten. It contains a "Guidance" section that describes the intent of the policy, the principles used in fashioning it, and definitions of key terms. It also contains sections on both patent policy and copyright policy. Because the members spent most of their time on patent policy, in the future the Committee may wish to review and possibly expand upon the copyright portion of the policy. As of this writing the policy recommendations are working their way through the faculty and University administration vetting process.

The Chair-Elect of the 2004-2005 Intellectual Property Committee is Steven Hinckley of the Law School.

Respectfully Submitted,

John Woods
Intellectual Property Committee Chair