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PROPOSED ADDITIONAL AGENDA ITEM FOR THE FEB. 18 UNIVERSITY SENATE MEETING

(for Faculty Senate only)

MOTION:

That the Senate approve the following two amendments to the Patent Policy:

1. That the existing sharing plan, as seen in Table 1 of the University Patent Policy, remain in effect for the "first \$10,000" and the "next \$40,000" and that the proposed sharing plan of 25% to the inventor, 25% to the college and/or departments and 50% to the University be adopted for royalties of \$50,000 and over. These figures (breaking points, not percentages) may be modified at the discretion of the Patent Committee.
2. (Amendment to Patent Policy and Invention Agreement, Paragraph 10, #(1)):  
  - 10.(1). Net income shall be shared in accordance with Table 1, attached. Net income is defined as gross royalties and/or other receipts minus deductible costs (out-of-pocket costs for the patent application, interferences, development, licensing\*, and patent enforcement).

\*including justifiable charges for time spent by the inventors as negotiated with Patent Administrator.

TABLE 1

Patent Income Sharing Plan

Net Income**	Inventor's Share	College Share*	University Share
First \$10,000	75%	15%	10%
Next \$40,000	40%	30%	30%
Over \$50,000	25%	25%	50%

\*or other administrative unit responsible for funding departments, faculty and/or their research[See Section 10,a,(2)].

\*\*In instances where deductible costs are incurred (patent application, interference, development, licensing, or patent enforcement) subsequent to distributions of inventor or collegiate shares, no assessment requiring a refund of those shares shall be levied. However, the University reserves the right to suspend income distribution on any inventions where there is reasons to believe that substantial deductible costs are imminent, which costs would not be recoverable from royalties in the near term.

ANTHONY ZAHAREAS, CHAIR  
SENATE COMMITTEE ON RESEARCH