University of Wisconsin-Madison

Graduate School

Invention Disclosure/Equity Review Implementation Plan – May 2005

I. Principles

A. The University of Wisconsin-Madison is a premier research University and highly values the creative efforts of our faculty, staff and students. We are committed to assisting these highly talented individuals in their efforts to maximize the value of their inventions, both for themselves and for society at large.

B. The University of Wisconsin-Madison makes no ownership claim over intellectual property created by faculty, staff, or students as a general condition of employment. The University is required, however, to assure that both federal and non-federal rights to inventions are protected. These competing obligations create a unique set of challenges, which are addressed through the disclosure and equity review processes. To assure the University's ability to comply with obligations arising under federal laws or in extramural sponsor agreements, faculty, staff, and students participating in sponsored research are required as a condition of such participation to file disclosure reports for any invention or discovery that was made during the course of his or her University activities.*

C. These issues are further compounded by the rise in recent years of non-federal (i.e., foundation and corporate) funding of research and the concomitant laboratory reliance upon multiple sources of funding. It is not always possible to easily determine the nexus between an invention and a single source of funding.

D. Disclosures must be reviewed by UW-Madison to determine how the work was funded and if any of the contracts or agreements, either federal and/or non-federal, affect ownership of the intellectual property. *

E. At the University, the schools and colleges vary in size and institutional complexity. It is imperative that any policy developed be implemented consistently and fairly in each of the schools and colleges.

F. Due to time requirements imposed by the federal government, certain presumptions must be made by the University for administrative convenience. Specifically, if federal funds contribute to the payroll of the inventor or were present in the inventor’s laboratory during the inventive period, it is the default assumption that federal funds contributed to the invention.

G. In order to restore any imbalances created by these assumptions, inventors must have an opportunity to refute the presumed nexus between federal funding and an inventive work.

* Other Board of Regent policies may apply to intellectual property created outside of sponsored research and require a discovery or invention, made by any member of the faculty, staff or student on appointment while pursuing his/her University duties, or on University premises, or with University supplies or equipment, be reported to the Chancellor or his/her designee.
II. The Disclosure and Equity Review Process

A. The Inventor

1. Conceives of a work and/or reduces it to practice.

2. Files an Invention Disclosure Report (IDR) with WARF (form available at www.warf.org) for any inventions or discoveries made during the course of University activities.

B. WARF

1. Determines if inventive work is ready to be disclosed.
   
   a) IF the invention is not ready to be disclosed THEN inventor is notified of its pre-disclosure status.
   
   b) IF the invention is ready for disclosure THEN inventor is informed of the University of Wisconsin–Madison Equity Review Process.

2. Concurrently indicates their interest in submitting a patent application for the invention.
   
   a) Note: this decision has no bearing on the need for an Equity Review, nor does it create any obligations for the inventor to work with WARF.

3. Forwards the IDR to the Graduate School for Equity Review.

C. Graduate School

1. Receives the IDR from WARF.

2. Enters the IDR in their database.

3. Sends acknowledgement letter to the inventor, describing the Equity Review process, the presumptions underlying the process, and the differing roles of WARF and the Graduate School.

4. Notifies the School/College Dean or Dean Designee, via a copy of the invention disclosure report, of the initiation of the Equity Review process.

5. Sends an e-mail reminder to inventors who have Material Transfer Agreements and other non-funding agreements asking of their relevance to the disclosure.

6. Reviews and clarifies, if necessary, through discussion with the inventors, information cited on the IDR including the conception period, the inventors, the funding sources, and the existence of any agreements that might grant a right in the invention to another party.

7. Assembles information required for the Equity Review.
   
   a) IDR
   
   b) WARF decision letter
c) List of inventor’s federal and non-federal grants active during the inventive period

d) List of funding sources used to pay the inventor during the inventive period

e) Copies of any non-federal funding agreements, federal subcontracts, and material transfer agreements that inventors indicate have contributed to the inventive work

f) Copies of other relevant agreements or contracts

8. Compares the information provided on the IDR with other documentation.

9. Determines if non-federal agreements are implicated based on information provided by the inventor on the IDR, inventor response to the material transfer and other non-funding agreement emails, additional information provided by the School/College dean’s office, information from Research and Sponsored Programs, and additional information obtained by the WARF Intellectual Property Managers during the intake interview.

10. Determines if federal funds are implicated based on the information provided by the inventor in the IDR, additional information provided by the School/College dean’s office, the payroll of the inventor during the inventive period, and the presence of federal funding in the inventor’s laboratory during the inventive period.

   a) IF federal funds are NOT implicated, the University has no federal obligations.

      (1) IF rights are not encumbered by any other non-federal sponsor, THEN inventor owns the inventive work.

      (2) IF rights are encumbered by any other non-federal sponsor, THEN inventor’s rights are limited by contractual obligations incurred under these agreements.

   b) IF federal funds ARE implicated, the Equity Review process continues.

11. Determines if there is a federal sponsor identified in the IDR.

   a) IF federal funds are implicated and NO federal funding source is clearly identified on the IDR, THEN the Graduate School asks the inventor to identify a primary federal sponsor.

      (1) IF the inventor identifies a primary federal sponsor, THEN the Equity Review process continues.

      (2) IF the inventor does not identify a primary federal sponsor, THEN the inventor works with the School/College Dean or the Dean’s Designee to resolve the relationship between the presence of federal funding and the inventive work.

12. Sends a letter to the inventor listing the funding source(s) the Graduate School presumes supported the inventive work. The inventor is given 14 days to contact the Graduate School if they object to this determination. Copies of the proposed notification letter also go to School/College Dean or Dean’s Designee, Department Chairs/Center Directors, and WARF.
a) IF Equity Review indicates that federal funding supported the inventive work THEN:

(1) IF the inventor has not disputed the proposed notification at any stage in the Equity Review process, at the end of the 14 day period the federal agency is notified of the invention.

(2) IF the inventor has disputed the proposed notification at any stage in the Equity Review process the inventor is contacted after the 14 day period to see if they have received the letter and intend to dispute the notification.

(a) IF the inventor is in agreement with the proposed notification the federal agency is notified.

(b) IF the inventor is not in agreement with the proposed notification the issue is referred to the Review Board.

b) IF Equity Review indicates that non-federal funding supported the inventive work, the inventor(s) are in concurrence with the non-federal funding source as supporting the work, and the non-federal funding agreement requires notification of the invention, the non-federal funding agency is notified of the invention.

13. Notifies WARF, Research and Sponsored Programs, and School/College Dean or Dean's Designee of outcome of Equity Review.

14. Sends copies of the WARF decision letter, and the case notes to the appropriate Schools/Colleges Dean or Dean's Designee.

D. WARF

1. In those cases where federal funds are implicated, as determined by the Equity Review, WARF must confirm its interest in taking title to the invention.

a) IF WARF takes title, THEN the inventor is obligated to work with WARF through the patent and licensing process.

b) IF WARF does not take title, THEN WARF notifies the primary federal sponsor and the Graduate School of its decision to refuse title. Note: The inventor has the right, at this stage of the process, to petition the federal sponsor to gain rights to their work. The Graduate School assists the inventor in this process.

2. In those cases where federal funds are not implicated, as determined by the Equity Review, WARF may nevertheless indicate an interest in taking title to the inventive work.

a) Note: Absent contractual obligations created by non-federal agreements, inventors are not required to assign title to WARF.

b) All inventors are encouraged to work with WARF. WARF provides patent, licensing and other services to the University, its faculty and staff, free of charge, as part of its mission. By agreement, WARF serves as the exclusive patent and intellectual property management organization of the University.
III. The Review Process

A. Principles

1. All parties have a right, at any stage of the Equity Review to engage the review process. Parties are encouraged to make every effort to resolve discrepancies and disputes at the earliest possible stage and at the lowest possible level.

2. The review process has three levels: direct resolution between the Graduate School and the inventor, resolution through consultation with the School/College Dean or Dean’s Designee, and resolution through the Review Board who acts in an advisory capacity to the Associate Dean for Research Policy. Throughout the process inventors are encouraged to provide additional information, including information regarding the scope of work, and regarding the connections between funding and an inventive work. School/College Deans or Dean’s Designees are also encouraged to provide additional information based on records maintained at the school/college level.

3. In any instance where a dispute is referred to the School/College Dean or Dean’s Designee or to the Review Board the finding must be submitted in writing to the Graduate School.

B. Process

1. If minor discrepancies arise during the course of an Equity Review the Graduate School contacts the inventor directly for clarification.

2. If significant discrepancies arise, the Graduate School contacts the School/College Dean or the Dean’s Designee, alerts them to the discrepancy and asks them to work with the inventor to clarify the issues.

   a) If these issues are resolved to the satisfaction of the inventor and the School/College Dean or Dean’s Designee, then written communication is sent to the Graduate School.

   b) If these issues are not resolved to the satisfaction of both the inventor and the School/College Dean or the Dean’s Designee, then the matter is submitted to the Review Board.

3. If the inventor objects to a determination regarding the presence of federal funding, then the inventor works with the School/College Dean or the Dean’s Designee to resolve the issue.

   a) If these issues are resolved to the satisfaction of the inventor and the School/College Dean or Dean’s Designee, then written communication is sent to the Graduate School.

   b) If these issues are not resolved to the satisfaction of both the inventor and the School/College Dean or the Dean’s Designee, then the matter is submitted to the Review Board.

4. Discrepancies or disputes that cannot be resolved through the School/College Dean or Dean’s Designee will be forwarded to the Review Board.
a) The Associate Dean for Research Policy will appoint a committee chair and three persons from the PI Committee of the Graduate School to advise him/her on the merits of the dispute.

b) The Review Board will be appointed on an ad hoc basis to respond to any review submitted by inventors.

c) The Review Board will take into consideration any documentation already submitted through the Equity Review process, additional information regarding funding or scope of work the inventor chooses to submit, and any statements submitted by the inventor and/or the School/College Dean or Dean’s Designee. Furthermore, the Review Board is free to solicit any additional testimony or information they believe will enhance their deliberations.

d) The findings of the Review Board will be made in a timely fashion in order to comply with federal obligations.

e) The findings must be written and signed by at least three members of the Review Board.

f) The Review Board is advisory to the Associate Dean for Research Policy.
Appendix A: Roles and Responsibilities

A. Inventor

1. Agree to comply with the terms and conditions of grants and contracts as a condition of participating in the research and as a part of his or her University duties and responsibilities.

2. File disclosure reports with WARF for any invention or discovery that was made during the course of their University activities.

3. Assist the Graduate School in the performance of the Equity Review.

4. Work with the School/College Dean or Dean’s Designee to resolve discrepancies or disputes in a timely fashion.

5. Refer discrepancies and disputes to the Review Board in a timely fashion.

6. Assign to WARF inventions deemed by the Equity Review to have federal funding, if WARF has indicated a preference to take title to the inventive work.

B. University

1. Legal recipient of all research grants and contracts from extramural sponsors.

2. Administer grants and contracts for sponsored University research.

3. Legal responsibility to comply with all terms and conditions of awards.

4. Required to assure that any IP obligations to federal sponsors are honored.

5. Required to assure that any IP obligations to non-federal sponsors are honored.

C. Graduate School

1. Perform Equity Reviews.


3. Notify appropriate federal agencies of inventions conceived or reduced to practice with federal funding. This notification must be made to the federal funding agency within two months after the inventor discloses the invention in writing to the appropriate University administrator.

4. Notify appropriate non-federal agencies of inventions, if deemed by Equity Review to have supported the inventive work, and the non-federal agreement requires University notification.

5. Notify inventors, WARF, School/College Dean or Dean’s Designee, Department Chairs/Center Directors, and Research and Sponsored Programs of outcome of Equity Review.

6. Notify WARF of any agreements relevant to the disclosure which contain intellectual property language and provide copies of the agreements. Send a copy of the notification memo to the School/College Dean or Dean’s Designee,
7. Provide a Review Board from the Graduate School Principal Investigator Committee. The Review Board is advisory to the Associate Dean for Research Policy.

8. Assist inventors who have inventions created in whole or in part with federal funds, but for which WARF has declined title, with petitions to the federal agency for rights to their invention.

9. Educate researchers regarding their obligations to disclose all inventions and submit inventions to the Equity Review process.

D. Schools and Colleges

1. Assign a School/College Dean or Dean's Designee to assist with resolving discrepancies or disputes arising from the Equity Review process.

2. Help resolve discrepancies and disputes arising during the Equity Review process.

3. Educate researchers regarding their obligations to disclose inventions and submit inventions to the Equity Review process.

E. WARF

1. Provide the initial review of the IDR.
   a) During the intake interview WARF determines if the submission is of sufficient maturity to be considered an invention and thus disclosed. If the submission is not sufficiently mature, the person or persons submitting the IDR are notified of the status of their submission as pre-disclosed. All other submissions are treated as disclosures.
   b) During the WARF intake interview, review with inventor their non-federal funding and/or other agreements to determine their relevance to the disclosure.

2. Forward the IDR to the Graduate School for an Equity Review.

3. Indicate a preference for taking title or not taking title.
   a) In cases where WARF indicates a preference for taking title and there are federal obligations or patent obligations to other sponsors of the research, the inventor must assign title to WARF.
   b) In cases where WARF indicates a preference for taking title and there are no federal or other obligations, the inventor has the option to assign title to WARF.
   c) In cases where WARF indicates a preference to refuse title and there are federal obligations, WARF notifies the federal agency and the Graduate School that WARF will not take title. The federal agency then takes title of the invention, but the inventor may petition the federal agency for rights to their invention.
   d) In cases where WARF indicates a preference to refuse title and there are no federal obligations, title remains with the inventor, assuming there are no other non-federal intellectual property obligations.
4. Notify appropriate federal funding agencies of any decision not to take title in those instances where required under federal funding regulations.

5. Educate researchers regarding their obligations to disclose inventions and submit inventions to the Equity Review process.
Appendix B: Definitions

Bayh-Dole: The Bayh-Dole Act governs University responsibilities regarding patentable inventions created in whole or in part with federal funds and provides the basis for University technology transfer of these inventions. University obligations under the Bayh-Dole Act include identifying inventions funded in whole or in part with federal money, reporting those inventions to the funding agency and either taking title to those inventions or providing the federal agency with the opportunity to take title.

Under the federal Bayh-Dole Act, the University’s patent designee is WARF and any invention arising from federally funded research must be disclosed to WARF. If WARF accepts a federally funded invention, the inventor is then also required to assign the discovery to WARF. To fully comply with Bayh-Dole, the University has developed a co-mingling policy, which dictates that if a researcher has any federal monies in his or her lab at the time of invention conception or reduction to practice, the invention is considered to be federally funded. The presence of federal funds is determined by the Graduate School through the Equity Review process. If the Graduate School determines that federal funds did not contribute to the invention (and the inventor has not assigned intellectual property rights to an outside entity, such as a company), the inventor may choose whether or not to work with WARF in patenting and licensing the invention.

Co-mingling: The very common situation in which research is funded by more than one sponsor. When this occurs the intellectual property rights of all sponsors must be evaluated and protected.

Co-mingling of federal funds: If the inventor has active federal grants and/or was paid on federal funds during the inventive period, the University assumes that the invention is at least partially federally funded. This presumption will be reviewed and may be rebutted by the inventor during the Equity Review process.

Dean or Dean’s Designee: The Dean of each school or college or their designee shall help resolve disputes between the inventor and the Graduate School in the event a major discrepancy or dispute arises during the Equity Review process. Resolutions which are acceptable to both the inventor and the School/College Dean or the Dean’s Designee will be submitted in writing to the Graduate School. Issues which cannot be resolved to the mutual satisfaction of the inventor and the School/College Dean or Dean’s Designee will be referred to the Review Board.

Disclosure: A disclosure occurs when a faculty member, staff member, or student files an Invention Disclosure Report (IDR) with the Wisconsin Alumni Research Foundation.

Equity Review: Process used to determine how an inventive work was funded and if sponsored research agreements might affect ownership of intellectual property. This process includes reviewing the intellectual property language in third party funding agreements (corporate, association, foundation, and consortia agreements; material transfer agreements and so forth) as well as a review of all funding sources, including inventor payroll, and inventor’s grants active during the period of inventive work.

Invention: Any invention is a discovery which is or may be patentable or otherwise protected, or any novel variety of plant, conceived or first actually reduced to practice during the course of University activities. See I. Principles, Section B and footnote, page 1.

Invention Disclosure Report (IDR): The first step in disclosing an invention or discovery -- whether it is a patentable invention, technique and know-how, a biological material or another form of intellectual property -- is completing an invention disclosure report (IDR) form. The IDR
asks the inventor to provide information on the time of the discovery; any preexisting technologies; any pending or already-published articles on the technology; and any grants, contracts, or other agreements relevant to the inventive work. This information is used by the UW-Madison Graduate School and WARF to review funding sources and obligations for notification requirements and other rights. It also aids WARF in determining whether the invention will meet the U.S. Patent Office's criteria of novelty, utility, and non-obviousness or, if not, whether the invention can be protected by a means other than patenting. It is important to have this information on record as early as possible, in case a patent is obtained and later challenged. The IDR form and additional information regarding the IDR may be found on the WARF website: www.warf.org

**Inventor:** Any one who has worked on the invention by conceiving or elaborating on the idea, designing experiments, or evaluating experimental results; contributed patentable functional features while first building a device or performing a method; or otherwise has directly contributed to the invention itself. Individuals who perform routine lab analyses, who assemble prototypes from detailed drawings, or who otherwise provide only entirely directed labor are in most cases not considered to be inventors. For the purposes of this document, the term inventor refers to either a single inventor or a group of inventors.

**Inventive Period:** Period of time defined by law and informed by the inventor through the IDR starting with the moment the invention was conceived and continuing through the time the invention was reduced to practice.

**Notification to federal agency:** The University is required to disclose to the funding federal agency any invention conceived or first actually reduced to practice in the performance of work funded all or in part by the federal government. This disclosure must be made to the funding agency within two months after the inventor discloses it in writing to the appropriate University administrator.

**Pre-disclosure:** A determination made by WARF, indicating that the idea or process represented in an IDR is not sufficiently developed to qualify as an invention. When such a determination is made, the party submitting the IDR is notified of the status of their submission, and the idea or process is deemed not to have been disclosed.

**Review Board:** A review panel composed of a committee chair and three delegates from the Graduate School Principal Investigators Committee, which represents principal investigators from all divisions of the University and advises the Associate Dean for Research Policy on matters of interest to the research community. This review panel advises the Associate Dean for Research Policy regarding disputes arising from the Equity Review process.

**Scope of Work:** The range of activities to be conducted under the auspices of a funding agreement. The scope of work of a particular grant or funding source may be considered when determining if federal funds contributed to an inventive work. In particular, scope of work arguments may be presented by the inventor to rebut the assumption of federal support made under the University co-mingling policy.

**WARF:** The Wisconsin Alumni Research Foundation (WARF) is the designated patent management organization for the University of Wisconsin-Madison. WARF provides patent, licensing and other services to the University, its faculty and staff, free of charge, as part of its mission. By agreement, WARF serves as the exclusive patent and intellectual property management organization of the University. For purposes of Bayh-Dole the UW-Madison has delegated to WARF the right to take title, at its discretion, to federally funded inventions. WARF may also be similarly designated in certain third-party funding agreements.

All inventors are encouraged to work with WARF; however, only inventors whose inventions are determined to have federal sponsorship or other sponsorship in which there is an agreement to provide a license are obligated to do so.