

**Loyola University Chicago Intellectual Property and Technology Transfer Policy**  
**Effective Date: May 20, 2009**

**I. Preamble and Objectives**

The primary goals of all Schools of Loyola University Chicago ("LUC") are teaching, research, and the dissemination of knowledge. In accordance with these goals, LUC has a responsibility to protect the intellectual property of its faculty and staff in order to:

- A. Provide incentives that promote intellectual effort and advancement of knowledge for the public benefit; and
- B. Realize tangible benefits from inventions/discoveries that provide support to the University to fund further research and development.

**II. Applicability of this Policy**

This Policy applies to all inventions or improvements to existing technology or materials, whether patentable or not, that are conceived or reduced to practice on or after the effective date of this policy and are derived from the research and development of faculty, staff or students of LUC, or performed with support from or use of LUC funds, facilities, or other resources. Such inventions and improvements will be referred to as "Inventions".

**III. Ownership of Patents and Inventions**

- A. LUC shall be the sole owner of all Inventions, provided that:
  - 1. the Invention was made by an employee (either faculty or staff) during research or other assignment under a research project, grant, contract, or other LUC-administered program; or
  - 2. the Invention was made using facilities, equipment, funds, or other resources of LUC; and
  - 3. that LUC has not entered into a grant that expressly prohibits ownership of such rights.

Contracts relinquishing intellectual property or ownership rights will only be signed by the Vice President for Health Sciences Research or Associate Provost for Research and Centers (or equivalent officials), as the case may be, after consultation with the inventor and others in the University suggest that it is in the best financial and scientific interests of LUC.

- B. Ownership of patent rights resulting from *non-federal*, externally sponsored research shall be determined by the rules and policies of the sponsoring organization in accordance with the pertinent research agreement between the Sponsor and the School.
- C. Inventions made by a faculty or staff member, or student, exclusively on his/her own time and not using LUC resources are the sole property of the inventor provided that:
  - 1. the patents are administered apart from and do not involve LUC's name, facilities, and/or resources; and
  - 2. the inventor complies with LUC policies concerning outside activities by faculty, students and staff.

#### **IV. Disclosure of Inventions**

Inventions must be fully disclosed in good faith:

- A. At the Maywood campus: to the Vice President for Health Sciences Research (or equivalent official), using the Stritch School of Medicine Invention Disclosure Form, which can be found on the Office of Research Services for the Health Sciences website under Policies:  
[http://www.stitch.luc.edu/res\\_serv/ors/Updts\\_Policy/Policy/Disc\\_Invention.doc](http://www.stitch.luc.edu/res_serv/ors/Updts_Policy/Policy/Disc_Invention.doc)
- B. At Lake Shore and Water Tower campuses: to the Associate Provost for Research and Centers (or equivalent official), on the Disclosure of Invention Form, which can be found on the Office of Research Services website under Policies:  
[http://www.luc.edu/ors/pdfs/Research/Invention\\_disclosure.doc](http://www.luc.edu/ors/pdfs/Research/Invention_disclosure.doc)

It is the inventor's responsibility to identify all co-inventors at the time of disclosure on the Disclosure Form and to submit in writing, on the proper Disclosure Form, the percentage of any potential revenue each of the co-inventors shall receive. Should the inventors fail to agree on a division, the School shall determine the distribution.

#### **V. Disposition of Inventions**

LUC may dispose of its rights to Inventions as follows:

- A. By using such rights for the public good. This decision will be made in consultation with the inventor(s) and predicated on principles related to societal needs and charity;
- B. By commercially developing the rights; or
- C. By releasing the rights to the inventor(s) on the conditions that:

1. LUC receives a paid-up, nonexclusive license to use the Invention for research purposes;
2. the inventor(s) may pursue a patent at their own expense. Individual organizational groups within each School are not separate entities from the School and cannot pursue a patent that has been abandoned by LUC; and
3. expenses previously incurred by LUC will be reimbursed by the inventor if monies from subsequent commercial exploitation of the Invention become available.

## **VI. Distribution of Revenue**

LUC is not obligated to protect or develop any Invention unless it has made an explicit contractual agreement with an external entity to do so. However, once it has made this agreement, distribution of any revenue that results from any Invention will be handled in the following manner.

- A. LUC assumes financial responsibility for Inventions it owns. These responsibilities include, but are not limited to, assessment of the commercial value of Inventions, costs of prosecuting patents and their administration, interferences, defense of infringement charges, commercialization of Inventions, and any litigation involving the Inventions.
- B. Distribution of royalties and other income from LUC-owned intellectual property will occur as follows:
  1. Definitions:
    - a. "Gross Revenue" is the total of all receipts received for all commercial activity related to the Invention.
    - b. "Net Revenue" represents Gross Revenue minus all expenses directly related to the prosecution and maintenance of any patents, licensing agreement(s), or other commercial arrangements. Fifteen percent (15%) of Gross Revenue is allocated to the respective Office of Research Services responsible for technology transfer administration expenses prior to the subtraction of any other expenses, including but not limited to the cost of litigation. Payments made under an externally-funded grant or contract are specifically excluded as revenue for the purpose of determining Net Revenue.
    - c. Net Revenue calculations are based on the total Net Revenue received over the life of the invention.

2. Distribution of Net Revenue received by LUC for Inventions subject to this policy shall follow the table below. Distribution payments are made on a periodic basis but not less frequently than annually.

Income Distribution				
LUC Cumulative Net Revenue	Inventors	Office of Research Services	Inventor's School*	University**
\$0-\$100K	50%	25%	25%	
\$100,001 -\$500K	40%	25%	20%	15%
\$500,001 +	30%	20%	20%	30%

\*If inventor's School ceases to exist, the President shall determine the distribution of such funds.

\*\* In the case of the Maywood campus, the University distribution will be to the Vice President for the Health Sciences (or equivalent official).

## VII. Dispute Resolution

The Research and Patent Policy/Technology Transfer Committee or its equivalent will resolve all disputes between individuals regarding ownership of Inventions covered by this policy. The decision of the committee is final and not applicable to contention under LUC grievance policies. In the absence of the Research and Patent Policy/Technology Transfer Committee, the Provost or Vice President for the Health Sciences (or equivalent official), as the case may be, will convene a committee for this purpose.