



**POLICY 03:16:00  
INTELLECTUAL PROPERTY**

**PURPOSE**

In accordance with Tennessee Board of Regents (TBR) Policy No. 5.01.06.00, it is the policy of Pellissippi State to: (1) encourage inventions and the production of copyrightable works by employees of the College; (2) facilitate the utilization of such inventions and works to the benefit of the public, the College, and the members of the College community; and (3) provide for the equitable sharing of any proceeds derived from the commercial exploitation of inventions and copyrightable works in which, pursuant to this policy, the Institution is determined to have an interest. This policy is intended to protect the interests of all concerned parties: the College, members of the College community, external sponsors of research, and the public.

**DEFINITIONS**

Author - means the person or persons responsible for creation of a copyrightable work.

Gross Income - means proceeds from the sale, lease, or licensing of intellectual property by a TBR Institution; dividends derived from equity received in consideration for the sale, lease, or licensing of intellectual property by a TBR Institution; or proceeds from the sale of equity received in consideration for the sale, lease, or licensing of intellectual property by a TBR Institution.

Intellectual Property - means inventions and works.

Invention - means any discovery, invention, new use or application, process, composition of matter, article of manufacture, know-how, design, model, technological development, or biological material.

Inventor - means the person or persons responsible for conception of an idea or ideas leading to an invention.

Net Income - is gross income minus the direct costs associated with patent prosecution, copyright registration, commercialization, defense, maintenance, and administration of intellectual property.

Scholarly works - include, but are not limited to, articles written for publication in academic journals, textbooks, works of art, musical compositions, and literary works. Theses and dissertations are not, for the purposes of this policy, scholarly works. Works by non-faculty employees shall not, for the purposes of this policy, be considered scholarly works.

Scope of employment - refers to activities which have been assigned to an employee by their supervisor or which are performed during normal working hours or which fall within the employee's job description.

Significant use - means utilization of Institution funds, personnel, facilities, equipment, materials or other resources resulting in a cost to the Institution (direct, indirect, or depreciative) of more than \$2,500.

Work - means any copyrightable material, such as literary works; musical works, including any accompanying words; dramatic works, including any accompanying music; pantomimes and choreographic works; pictorial, graphic, and sculptural works; motion pictures and other audiovisual works; sound recordings; architectural works; computer software or databases; circuit diagrams; architectural and engineering drawings; and lectures.

## POLICY

### Authorization

Pellissippi State is authorized to seek and hold patents and copyrights, to assign their rights in intellectual property, and to execute agreements concerning royalty distribution.

### Applicability

This policy shall apply to all persons employed (either as full-time, part-time or temporary employees) by Pellissippi State, to students enrolled at the College, and to other persons using college facilities and resources. Contracts for works for hire between Pellissippi State and independent contractors should define the respective rights and responsibilities of the parties with respect to ownership of any intellectual property developed as a result of the contract.

### Ownership of Intellectual Property

Intellectual property developed by persons to whom this policy applies shall be the sole and exclusive property of Pellissippi State if the subject intellectual property is: (1) developed within the person's scope of employment with the College; (2) developed in the course of a project sponsored by the College; (3) developed with the significant use of the College's facilities, services, or equipment (personal office space, libraries and the inventor or author's personal computer provided by the College excluded), or (4) developed in the course of a project arranged, administered or controlled by the College and sponsored by persons, agencies or organizations external to the College, absent prior written agreement to the contrary. With respect to students, use of resources or facilities typically available to students in their educational activities shall not be considered "significant".

Prior to the College providing support (for example, release time or institutional funding) to a person to whom this policy applies, where that support could reasonably be expected to result in an invention or creation of a copyrightable work with commercial value, Pellissippi State and the person or persons receiving that support shall agree in writing whether any intellectual property potentially arising from the supported activities would qualify as a scholarly work.

Intellectual property developed outside an employee's scope of employment, on the employee's own time and without the use of significant College resources shall be the sole and exclusive property of the Inventor or Author. In consideration of institutional support in evaluating the intellectual property, seeking patent protection and/or pursuing commercialization activities, Pellissippi State and the Inventor or Author may agree to assign all or a portion of the ownership rights to the invention or work to the College.

The College shall not assert ownership of "scholarly" works, regardless of whether the circumstances surrounding creation of the work satisfy one or more of the four tests outlined in this section for determining Institutional ownership. Disclosure of "scholarly" works is nonetheless required, subject to the condition that only those copyrightable works which could reasonably be expected to have commercial value must be disclosed.

Nothing in this policy shall preclude a mutually agreed upon contract between Pellissippi State and

persons to whom this policy applies wherein either party may agree to waive their rights under this policy.

#### Administrative Responsibilities

##### Inventors and Authors

Persons to whom this policy applies are responsible for disclosing to Pellissippi State their invention or production of a copyrightable work which could reasonably be expected to have commercial value. Disclosure shall be made to the President of Pellissippi State, or designee, using an Invention Disclosure Form (see Attachment 1) or Copyrightable Work Disclosure Form (see Attachment 2). The Inventor or Author shall fully cooperate with designated College in the disclosure process and in other subsequent activities associated with patenting and/or commercialization of the invention or work.

In the event that two or more persons are entitled to claim ownership of the intellectual property, the Inventors or Authors shall reach agreement between or among themselves regarding relative contributions for the purposes of distribution of net income from the Invention or Work. That agreement should be in writing and be notarized. The agreement will be required prior to the President's initial decision regarding whether to pursue patent protection or commercialization of the intellectual property.

Inventors should particularly note that certain acts (for example, enabling disclosure of the Invention in an academic journal) can constitute a statutory bar to patent protection. An Inventor contemplating public disclosure activities prior to filing an Invention Disclosure Form should contact the TBR Office of the General Counsel prior to engaging in those disclosure activities.

##### Intellectual Property Advisory Committee

As so authorized by (TBR) Policy No. 5.01.06.00, the President of Pellissippi State has designated the Instructional Development Committee to serve also as the College's Intellectual Property Advisory Committee. The appropriate Disclosure Form shall be forwarded to the Committee for an evaluation of the ownership, patentability and/or commercial potential of the invention or work. The Committee shall conduct an interview with the Inventor or Author and other persons as needed to make this evaluation. A patentability evaluation shall in particular include a thorough evaluation of acts by the Inventor or items of prior art which would bar patent protection. The Committee shall provide the President with its recommendations as to ownership of the intellectual property, whether patent protection should be sought, and whether to seek commercialization opportunities. The Committee shall conduct investigations as it deems necessary in the preparation of its recommendations to the President. The Committee is authorized to seek outside assistance in preparing its recommendations. Any compensated assistance obtained from private legal counsel must be approved in advance by the Attorney General of the State of Tennessee. The Committee shall also generally advise the President in all matters relating to this Policy.

For those inventions or works in which Pellissippi State is deemed to have an ownership interest, following a decision by the President (or President's designee) to seek patent protection, copyright registration, and/or commercialization of the intellectual property, the Committee will arrange to have those activities undertaken. All direct costs associated with those activities shall be borne by the College.

##### TBR Office of the General Counsel

The TBR Office of the General Counsel is available to support Pellissippi State, and specifically the

Intellectual Property Advisory Committee, in evaluating the inventorship, ownership, and patentability of inventions disclosed to the College. To the extent that appropriate resources exist, the Office of General Counsel shall be available to support prosecution of patent applications. The Office of the General Counsel is further available to the College to support the drafting of licensing agreements.

#### College President

The President of Pellissippi State is responsible for decisions regarding ownership of the intellectual property and for the decision of whether to pursue patent protection or commercialization of the Invention or Work. These decisions are to be based on the recommendations of the Intellectual Property Advisory Committee, as well as additional counsel the President may choose to seek from other sources. The President will inform the Inventor or Author of the presidents' decisions through the Advisory Committee. The President is authorized to make decisions regarding royalty distribution which deviate from the adopted royalty distribution rules, subject to the provisions of Section 8 of this Policy.

If the College decides neither to seek patent protection for nor to pursue commercialization of the intellectual property, and the College has an ownership interest in the intellectual property, the President may decide to assign the College's ownership interest to the Inventor or Author.

For inventions made in the course of a project funded in whole or in part by the Federal Government, the Bayh-Dole Act (37 CFR 401) imposes certain reporting requirements associated with the technology transfer process. The President shall designate the party responsible for insuring that those reporting requirements are satisfied. Subject to other Pellissippi State or TBR Policies, the President shall have the responsibility for approving any and all agreements associated with commercialization of the intellectual property.

The President is authorized to delegate any or all of these responsibilities, subject to the approval of the Chancellor of the Tennessee Board of Regents.

#### Appeals

The Inventor or Author may appeal decisions of the President or those of the designee. If the Inventor or Author disagrees with an initial decision, they may request a re-evaluation by the President. The President is not authorized to delegate responsibilities relative to appeals. The request must be received within thirty (30) calendar days of notification to the Inventor or Author of the initial decision. The Inventor or Author may submit documents or other evidence in support of their position. A second and final decision by the President relating to ownership or royalty distribution may be appealed to the Chancellor of the Tennessee Board of Regents. Decisions of the TBR Chancellor shall be binding.

#### Term Appeal

Considering the changing legislative environment and in view of the evolution of content, contracts and policies, ownership and monetary distribution of intellectual property contract may be re-evaluated by inventor, author, and College's Intellectual Property Advisory Committee after ten years of initial approval. All contractual parties may request a re-evaluation appeal in which the request must be received by all parties within thirty (30) calendar days of submission. Intellectual property contract amendments may be resubmitted for reevaluation and approval by all contractual parties. At this time, a new intellectual property term appeal period may be determined by all contractual parties.

## Income from Intellectual Property

Income derived from the commercialization of intellectual property in which Pellissippi State has an interest shall be first applied toward any direct expenses incurred by the College in seeking patent protection or copyright registration or in pursuing commercialization of the intellectual property.

The remaining net proceeds shall be divided as follows:

Inventor/Author 50 %  
Pellissippi State Community College 50%

The portion of the net income the College retains from royalties and any other intellectual property-related income shall be deposited in a restricted account and used by the College where the income-producing creation originated for the enhancement of research and instructional programs. The funds may be used for other purposes if specifically approved by the Chancellor of the Tennessee Board of Regents System.

Pellissippi State is authorized, subject to the approval of the Chancellor of the Tennessee Board of Regents System, to accept equity in lieu of cash in total or partial consideration for the use of the College's intellectual property rights. Dividend income and income received from the sale of equity shall be divided in accordance with the distribution rules adopted by the College.

## Attachments

Attachment 1 – Invention Disclosure Form  
Attachment 2 -- Copyrightable Works Disclosure Form

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Source: Tennessee Board of Regents, Policy No. 5:01:06:00  
Approved: Executive Council, March 4, 1991  
Editorial Changes, April 22, 1993  
Approved: President Allen G. Edwards, September 12, 2001  
Reviewed: President's Staff, August 28, 2006  
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