

10.1 Intellectual Property Policy

10.1.1 Statement of Authority and Purpose

This policy is promulgated by the Board of Trustees pursuant to the authority conferred upon it by §23-41-104(1), C.R.S. (2008) in order to set forth a policy concerning the ownership and control of intellectual property developed by Mines employees and students. This Policy shall supersede any previously promulgated Mines policy that is in conflict herewith.

10.1.2 Objective

Mines recognizes that inventions and discoveries, and the patents, copyrights, know-how and trade secrets accruing from these, may be the natural outgrowth of the academic activities and research of its faculty members, employees, and students. Mines deems it desirable to secure control and ownership of this intellectual property to fulfill its role and mission and to benefit the public through its technology transfer efforts.

10.1.3 Definitions

For the purposes of this policy, the following definitions shall apply:

A. Intellectual Property Owned by Mines

This phrase shall refer to inventions, innovations, discoveries, methods, apparatus, know-how, designs, models, distinct shapes, works of authorship (including computer software), any strains, varieties, or cultures of an organism, or any portion, modification, improvements, translation, or extension of these items which are made, devised, designed, conceived, formulated, developed, produced, invented, or improved upon as part of the Inventor's employment relationship with Mines, or which bear upon or arise out of the Inventor's activities for Mines or a contracting third party, or which are developed pursuant to the Inventor's duties and obligations to Mines as an employee (including student employees), or developed where Mines has the right to control the manner and means of production of an invention, innovation, discovery, method, or apparatus. It also includes any marks used in connection with these. In this Policy, the term "Intellectual Property" shall refer to Intellectual Property that must be disclosed to Mines by employees and that is deemed to be owned by Mines.

Works that are specifically commissioned through Mines by a third-party sponsor or by Mines will be owned by Mines, not the Inventor.

B. Intellectual Property Owned by the Employee-Inventor

This phrase shall refer to intellectual property for which Mines will not assert ownership, including works of art that are made or valued primarily for artistic purposes rather than practical function (e.g., art objects, literary works, musical compositions), academic instruction materials (e.g., course materials), or traditional scholarly works (such as a scientific article published in a refereed journal, a monograph, a book, a thesis, or a similar contribution to a collective work) that are authored by an employee within the scope of employment, *unless* such works are produced as part of a sponsored program (e.g., as a contracted-for research deliverable) or are works that are specifically commissioned by Mines or another third-party sponsor.

While Mines shall not assert ownership over academic instruction materials, Mines will retain a non-exclusive, irrevocable, perpetual, royalty-free license to use, display, copy, distribute and prepare derivative works of those materials created by employees in the course and scope of their employment at Mines. Such materials may include video, audio, webpages, texts, graphics, simulations or other instructional media.

Mines will not assert ownership over intellectual property created, conceived or first reduced to practice by students solely for the purpose of satisfying degree requirements, unless; (a) the student is performing work under a third-party contract (sponsored research); (b) the student is a co-creator with a Mines employee; (c) assignment of intellectual property is a course requirement; (d) Mines facilities, equipment, or resources are used in a manner that is above and beyond what is normally and customarily provided to students; (e) the student assigns ownership rights to Mines; or (f) the student creates the intellectual property in the course and scope of their work and duties as either a Mines employee or a research or graduate fellow. In this policy, the term "Intellectual Property" shall *not* refer to intellectual property for which Mines does not intend to assert ownership.

C. Inventor

This term shall refer to any individual who makes, alone or jointly with others, a significant contribution to the creation of an invention, innovation, discovery, method, or apparatus. Ultimately, if a patent application is filed, and subsequently granted, the allowed claims will dictate who is a named inventor listed on a patent.

D. Use of Mines Facilities, Equipment or Resources

This phrase shall refer to any use of Mines laboratories, equipment, computers, personnel, or library facilities that is more than incidental, or any use thereof that is essential to the creation of Intellectual Property.

E. Mines Research

This phrase shall refer to any research conducted by a Mines employee in fulfillment of his or her employment agreement with Mines and/or research using Mines Facilities, Equipment or Resources.

10.1.4 Statement of Ownership Principle

Intellectual Property created within the scope of an Inventor's employment, or by anyone utilizing Mines facilities while performing duties required by a third party contract, or made or done with the use of funds supplied or administered by Mines, shall be the sole property of Mines, unless inconsistent with other provisions of this Policy. Acceptance of the terms and conditions of this Policy is and shall be a condition of employment for all Mines faculty, staff and student employees and a condition of engagement for any student in a sponsored research project (e.g., as a contracted-for-research deliverable).

Mines employees engaged in consulting or external business activities and those charged with approving such activities on behalf of Mines are responsible for ensuring that any related agreements with external entities are not in conflict with this Policy or other commitments involving Mines. Employees should make their obligations to Mines clear to those with whom they make agreements and should provide other parties to the agreement with a current statement of this Policy. The Director of Technology Transfer, upon request, will provide assistance in this regard.

Mines' rights and the individual employee's obligations to Mines that are set forth in this Policy are in no way abrogated or limited by the terms of such agreements with third parties.

10.1.5 Disclosure and Recordkeeping

- A. It shall be the responsibility and the duty of an Inventor to promptly notify the Director of Technology Transfer in writing and make full disclosure of any invention, discovery, innovation, method, or apparatus which has potential value as Intellectual Property.
- B. It shall be the responsibility of any person working on a research or creative activity which might give rise to Intellectual Property to keep periodic records of the activity in a bound notebook, with each entry signed and dated by both the Inventor and a witness having specific knowledge of both the activity and the academic discipline involved.
- C. Unless required by the provisions of a third-party contract pursuant to which Intellectual Property is created, no disclosure of Intellectual Property shall be made to any third party without the prior approval of the Director of Technology Transfer, unless a formal release of rights to the Intellectual Property has been executed by an officer of Mines or his or her delegate.

10.1.6 Formal Protection of Intellectual Property

- A. In accordance with the procedures hereinafter set forth, Mines shall, after disclosure by an Inventor, determine, in its sole discretion, whether and how to protect any Intellectual Property subject to this Policy.
- B. In the event that an application for patent, copyright or other form of protection is decided upon and pursued, Mines shall have the right to prepare or have prepared, file, and prosecute such application, and the Inventor shall provide full cooperation in such effort. The Inventor shall execute such oaths, powers of attorney, petitions, affidavits, assignments of rights, and such other documents as are necessary to prosecute such application, receive such patents (domestic and foreign), and vest all right, title, and interest therein in Mines, subject to the preemptive rights, if any, of third party contractors or sponsors.

10.1.7 Joint Ownership

In the event Intellectual Property is created by a Mines Inventor and an Inventor from an outside entity (e.g., another university, private company, or national laboratory):

- A. Ownership of the Intellectual Property shall be divided between Mines and the outside entity in a proportion identical to the inventive contributions made by the respective parties. Any commercial return from the Intellectual Property shall be divided in the same proportion as ownership; and
- B. Mines shall have control over the filing and prosecution of any patent applications and other forms of intellectual property protection as well as commercial exploitation of the Intellectual Property unless an agreement to the contrary is negotiated by an officer of Mines or his or her delegate.

10.1.8 Director of Technology Transfer

The Director of Technology Transfer shall be designated by the President of Mines and shall have the following duties and responsibilities for the implementation of this Policy under the general direction of the Vice President for Research and Technology Transfer (VPRTT):

- A. Receive all disclosures from Inventors of Intellectual Property.
- B. Process all disclosures of Intellectual Property as follows:
 1. Conduct a reasonable investigation of the patentability and commercial potential of the Intellectual Property (with the assistance of legal counsel, if needed);
 2. Make a decision within six (6) months as to whether to seek patent or copyright protection based on scientific merit, patentability and commercial potential for the Intellectual Property, exploit the Intellectual Property on a commercial basis without legal protection, or waive all of Mines' property rights in the Intellectual Property; and
 3. Communicate the decision to the Inventor.
- C. Procure appropriate assignments from Inventors.
- D. Administer the filing of patent applications, copyright and other forms of intellectual property protection.
- E. Execute formal waivers of Mines' rights to any items of Intellectual Property that Mines has decided not to pursue.
- F. Administer the commercial use, licensing, or other disposition of all Intellectual Property in which Mines possesses any title or interest.
- G. Monitor previously filed patent applications and the maintenance of issued patents
- H. Review and approve intellectual property clauses and provisions in all agreements, grants, or other documents or instruments that may concern or affect Mines.
 - I. Inform the Inventor(s) of the decision not to pursue or to abandon the application, and in such cases provide the Inventor the opportunity to procure the Intellectual Property from Mines by assignment. Such assignment shall be made only if any conflicts that arise as the result of such an assignment can be effectively managed. Such assignment will also include a provision stating that 5% of any revenues received through commercial exploitation of the Intellectual Property by the Inventor(s) shall be returned to Mines.
 - J. Perform such other specific duties as may be reasonably implied from the terms and provisions of this Policy.
- K. Manage the enforcement or defense of any Mines Intellectual Property rights.

10.1.9 Appeal Procedure

- A. In the event that the Inventor disagrees with the decision of the Director of Technology Transfer not to pursue intellectual property protection, the Inventor may, within ten (10) business days of receipt of the decision, appeal to the VPRTT for the appointment of a Patent and Discovery Committee, hereinafter the "P & D Committee." The P & D Committee, which shall be appointed by the VPRTT, shall consist of three (3) or more regular members of the Mines faculty who are acceptable to both the Inventor and the VPRTT. Should the Inventor fail to appeal to the VPRTT, the decision of the Director of Technology Transfer shall be final.
- B. The duties of the P & D Committee shall consist of the following:
 1. Conduct an examination of all available information concerning the Intellectual Property;
 2. Confer with the Inventor and the Director of Technology Transfer;
 3. Consult with other faculty members, legal counsel or third party contacts in the field of endeavor if necessary; and
 4. Submit a recommended course of action to the VPRTT.
- C. After considering the recommendation of the P & D Committee, the VPRTT shall issue a decision on the appeal of the Inventor within ten

(10) business days after receipt of the recommendation from the P & D Committee.

- D. If the Inventor disagrees with the decision of the VPRTT, the Inventor may appeal to the President for a different course of action. In order to be considered, such an appeal must be submitted to the President within ten (10) business days of the Inventor's receipt of the VPRTT's decision. Should the Inventor fail to appeal to the President, the decision of the VPRTT shall be final.
- E. The President shall issue a final decision on the Inventor's appeal within ten (10) business days of receipt of the appeal.
- F. Any time limitation in this Section IX may be extended by the mutual agreement of the Inventor and Mines.

Such terms shall be consistent with applicable federal and state laws.

- 3. The division of the revenues resulting from licensing or optioning jointly-owned inventions shall be determined in accordance with the inventive contribution of all parties and according to any subsequent commercialization agreement.
- 4. Revenue distributed to Mines shall be divided in the manner described in Section X.A of this Policy.

10.1.10 Equities of Participating Parties

A. Inventions Owned by Mines

This section is applicable to all Intellectual Property Owned by Mines.

- 1. The Inventor shall assign all right, title, and interest in and to any such Intellectual Property to Mines.
- 2. Net proceeds from the item of Intellectual Property shall be calculated by subtracting the costs of obtaining and maintaining a patent that are not reimbursed by the party(s) licensing the technology, if any, and all other expenses of commercial exploitation from the gross proceeds. These expenses shall first be returned to Mines prior to any further distribution of proceeds from the Intellectual Property.
- 3. Of the first thirty thousand dollars (\$30,000) in net proceeds (excluding reimbursement for patent costs), fifteen thousand (\$15,000) will be distributed to the Inventor(s) and fifteen thousand (\$15,000) to the Office of Research and Technology Transfer for investment in speculative patents.
- 4. After the initial thirty thousand (\$30,000) of net proceeds, any additional revenue will be divided as follows: 35% to the Inventor(s); 35% to the Mines general fund and 30% to either the Mines academic department that is the home department(s) of the Inventor(s) or the research center which funded the research, at the discretion of the Inventor(s).
- 5. Any revenue that Mines collects that is designated in the agreement as reimbursement for past and/or future patent costs shall not be included in net proceeds, but instead shall be provided to the Office of Research and Technology Transfer for the purpose of funding Mines' patent costs related to the Intellectual Property.
- 6. In the case of the death of a Mines Inventor, any revenue that is due the Inventor will be distributed to the Inventor's heirs.

B. Inventions Jointly Owned by Mines and a Third Party

This section is applicable to Intellectual Property in which the invention has at least one Inventor employed by Mines and at least one Inventor employed by one or more outside entities.

- 1. A statement of ownership rights shall be an integral part of any sponsored research agreement and such agreement must be properly executed prior to the initiation of any sponsored research project.
- 2. The rights to any Intellectual Property resulting from any sponsored research shall be distributed pursuant to the terms regarding intellectual property ownership rights contained in the written agreement governing the sponsored research project.

C. Intellectual Property Involving Several Mines Inventors

- 1. If an item of Intellectual Property results from the joint efforts of two or more Mines Inventors, they shall attempt to reach an agreement specifying a distribution of the compensation which would normally be paid to a single Inventor. This agreement shall be submitted in writing to the Director of Technology Transfer at the time the Intellectual Property is disclosed.
- 2. In the event an agreement cannot be reached between the Inventors, a Royalty Arbitration Committee, consisting of at least three (3) regular members of the Mines faculty, shall be appointed by the VPRTT. The Mines faculty members who will serve on the Committee shall be acceptable to both the Inventors and the VPRTT. The Royalty Arbitration Committee shall make a recommendation to the VPRTT regarding an equitable distribution of royalties within ten (10) business days.
- 3. After considering the recommendation of the Royalty Arbitration Committee, the VPRTT will render a decision on the appeal of the Inventors within ten (10) business days after receipt of the recommendation.
- 4. If the Inventors disagree with the decision of the VPRTT, the Inventors may appeal to the President for a different course of action. In order to be considered, such an appeal must be submitted to the President within ten (10) business days of the Inventor's receipt of the VPRTT's decision. Should the Inventors fail to appeal to the President, the decision of the VPRTT shall be final.
- 5. The President shall render a final decision on the Inventors' appeal within ten (10) business days of receipt of the appeal.
- 6. Any time limitation in this Section C may be extended by the mutual agreement of the Inventors and Mines.

10.1.11 Formation of Start-Up Companies

A. Grant of a License or Option to a Start-Up Company that Involves Mines Employees.

- 1. Should a Mines employee desire to form a private company based on an invention owned by Mines, he or she shall inform the Director of Technology Transfer and submit to the Director a request for a license from Mines to utilize the invention.
- 2. The Director of Technology Transfer shall determine the suitability of the invention in a start-up company context, taking into consideration any conflict management needs and the legal and practical aspects of utilizing the invention in this context.
- 3. If it is determined that a start-up company is a reasonable path forward, both the employee and the start-up company shall develop a conflict management plan that must be approved by the VPRTT and Provost, and implemented before the license agreement between the start-up company and Mines can be signed.

B. Conflict and External Work Disclosure Requirements

1. Mines employees are required to disclose to Mines and obtain institutional approval prior to engaging in any external commitments that may create a potential or actual conflict of interest situation for the employee or Mines, pursuant to Section 6.3 of the Faculty Handbook. Should an employee's commitment to or involvement in a start-up company create an actual or apparent conflict of interest, such conflict must be disclosed in a timely manner as outlined in Section 6.3.4.
2. External work, including external employment, paid services, professional consulting and non-remunerative external commitments must be disclosed and approved in advance of the employee's performance of such work pursuant to Section 6.4 of the Faculty Handbook. An employee's commitment to or involvement with an external start-up company (regardless of the employee's ownership interest in the company) must be disclosed and approved pursuant to Sections 6.4.2 and 6.4.3.

C. Conflict Management Plans for Start-Up Companies

1. Conflict management plans shall be developed in concert with the Office of Research and Technology Transfer and the Provost, with input from Mines' Legal Services Office and Mines' Office of Research Administration, as appropriate. The terms of such plans shall be consistent with applicable state and federal law, and Mines policy.
2. Conflict management plans shall address, but not be limited to, the following: use of students in company-sponsored research; the role of any students in the company; the disposition of any new intellectual property developed; the anticipated time commitment required of Mines employees in the company's endeavors; and the anticipated use of Mines facilities in support of the company's work and operations.
3. Mines may require modifications to conflict management plans should new information arise or situations change. The employee and company will be required to sign and implement the new conflict management plan. If either the employee or company fails to sign and effectively implement the conflict management plan, Mines shall have the right to terminate the license or option agreement. The Director of Technology Transfer, Provost and Legal Services Office will work in concert to develop any modifications to conflict management plans.

Promulgated by the Mines Board of Trustees on December 14, 1990.

Amended by the Mines Board of Trustees on June 5, 2009

Amended by the Mines Board of Trustees on May 5, 2017