Inventor’s Guide

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The Inventor’s Guide to commercialization outlines the essential elements of technology commercialization at the University of Connecticut. The guide answers common questions and is designed to provide a broad overview of the technology commercialization process and resources offered. For more information, please visit: http://innovation.uconn.edu/

* Throughout this manual, unless specifically described otherwise, the term “inventor” includes individuals listed on a patent as well as contributors who have shared in creating the value of intellectual property that is not patented.

* Note: This booklet is based on the University of Michigan’s Inventor’s Guide to Technology Transfer, with adaptations for UConn and the Office of Economic Development.

We are very grateful to the staff of the UM Office of Technology Transfer for their kind permission to use their material and to the University of Michigan for permission to use its copyright.

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OVERVIEW

What is technology transfer / commercialization?
Technology commercialization is the movement of knowledge and discoveries from the university environment to the general public. For the purposes of this guide, technology commercialization refers to the formal licensing of technology to third parties and the organization of new technology-based companies for your benefit, UConn’s benefit and job creation in Connecticut and beyond.

Why would a researcher want to participate in the tech transfer process?
The reasons may include:

• Making a positive impact on society
• Feeling a sense of personal fulfillment
• Achieving recognition & financial rewards
• Generating additional lab or department funding
• Meeting research contract obligations
• Attracting research sponsors
• Linking students to future job opportunities
• Creating educational opportunities for students

Why should I disclose? Am I obligated?
UConn, as Connecticut’s publicly supported Land Grant University, has a three-fold mission comprised of teaching, research and service. Making an invention and putting it to use for the benefit of the public is one of many valid ways of contributing to UConn’s overall objectives.

Accordingly, UConn encourages the inventive process and, through the Technology Partnerships and Licensing (TPL) group, assists in bringing inventions to the point of public use.

As a UConn employee, you are obligated to promptly disclose your inventions to the university. UConn intellectual property policy states that UConn owns inventions, discoveries and improvements made as a result of either university employment or through the use of university resources, which is derived from the state of Connecticut statute located at: http://cga.ct.gov/2011/pub/chap185b.htm#Sec10a-98b.htm. (Ownership of inventions.)

What is the Bayh-Dole Act?
The U.S. Bayh-Dole Act of 1980 allows universities and other non-profit institutions to own rights to discoveries resulting from federally funded research, provided certain obligations are met. These obligations include making efforts to protect (when appropriate) and commercialize the discoveries, submitting progress reports to the funding agency, giving preference to
small businesses that demonstrate sufficient capability and sharing any resulting revenues with the inventors.

The Bayh-Dole Act is credited with stimulating interest in tech transfer activities and generating increased research, commercialization, educational opportunities and economic development in the United States.

**What does UConn do with its intellectual property?**

After the initial assessment of a new technology and the determination of its potential intellectual property value, the Office of Economic Development (OED) will work to either start a new company or license a technology to an existing company through the TPL group.

The OED has established many business and development initiatives to facilitate and support the startup of new technology-based companies in Connecticut. The OED has relationships with local and national venture capitalists, angels and corporate partners to assist it in commercializing its technologies.

Once a potential partner is identified, UConn negotiates a license for either all or part of the rights to a company so that they can use the intellectual property toward a new service or product.

Licenses can be exclusive or non-exclusive. In return, a licensee will typically return some benefit back to UConn, usually in the form of fees and royalties based on product sales incorporating the intellectual property, equity in the company or some combination of these benefits.

**Why is intellectual property important to the inventor?**

It directly benefits an inventor to create and protect intellectual property (IP) in three ways. First, the inventor benefits under UConn’s intellectual property policy by sharing in the financial rewards of licenses.

Second, licensing efforts often either establish or strengthen ties to industrial firms, and these reinforced relationships can directly improve opportunities for additional sponsored research.

Third, protecting IP is a good way for inventions to be used for the public good.
**How long does the technology commercialization process take?**

The process of protecting the technology and finding the right licensing partner may take months - or even years - to complete. The amount of time will depend on the development stage of the technology, participation by the inventing faculty, competing technologies, the amount of work needed to bring a new concept to market-ready status and the resources and acceptance of potential licensees.

**How is technology transferred?**

Technology is typically transferred through an agreement in which UConn grants to a third party a license to use UConn’s intellectual property rights in the defined technology, sometimes for a particular field of use and/or region of the world. Such a grant may be exclusive or non-exclusive. The licensee (the third party licensing the technology) may be an established company or a new business startup.

Licenses include terms that require the licensee to meet certain performance requirements and to make financial payments to UConn. These payments are shared with the inventors and also distributed to departments and research centers to provide support for further research, education and participation in the technology transfer process.

**What is the UConn Office of Economic Development (OED)?**

The University of Connecticut OED is an office that operates under the Vice President for Economic Development. The OED is a service organization that works with inventors to commercialize their research. The office acts as a bridge to coordinate efforts between industry, venture capitalists and other funding sources to commercialize UConn inventions.

The office is composed of specialists in licensing and business development, all of whom are widely experienced in commercializing technologies across a broad array of fields including the physical sciences, life sciences and information technology. The OED is responsible for managing all of the intellectual assets for the University of Connecticut. More can be found at: [http://innovation.uconn.edu/](http://innovation.uconn.edu/).
The OED manages a continuum of services and provides expertise supporting faculty commercialization efforts. In addition, the OED provides guidance for policy and program development to further the university’s commitment to economic development. Programs are as follows:

**The Technology Partnerships and Licensing (TPL) group** works with faculty to identify and protect inventions. TPL may help faculty license inventions to industry, assist entrepreneurs to create new firms or assist with development of companies via UConn Ventures.

**UConn Ventures (formerly known as UConn R&D Corp)**, working with TPL, takes technologies that can form the basis for a new company and develops the business plan and leadership team, and raises the necessary capital. UConn Ventures is part of OED for coordination and budget purposes only. Staff reports to a private sector board.

**The UConn Technology Incubation Program (TIP)** provides incubation space and support services at three campuses to nurture companies formed around UConn technologies and to help other companies become successful through use of UConn services and collaboration with faculty.

**The UCONN Technology Exchange Portal (TEP)** provides a front door to the university, promoting UConn’s capacity to help industry, facilitating access and creating relationships between faculty, students and industry.

**UConn Technology Park and Bioscience Connecticut** initiatives provide further opportunity for businesses and inventors. Please see updates at the OED website or visit http://technologypark.uconn.edu.

These programs were formed to provide the infrastructure needed to take university inventions from the laboratory to the marketplace. In addition, the TIP and the TEP support companies from outside UConn that may benefit from university linkages and collaborations. For a more detailed description of each program please refer to the back of this guide and visit the OED website, http://innovation.uconn.edu
THE TECH TRANSFER

PROCESS

How do I work with the Office of Economic Development?
We encourage you to contact the TPL group during your early research activities to be aware of the options that will best leverage the commercial potential of your research. The staff is trained to assist you with questions related to marketability, funding sources, commercial partners, patenting and other protection methods, new business startup considerations, university policies and procedures and much more. Our team approach provides you with access to specialized support such as a new business development specialist.

What are the typical steps in the process?
The process of technology transfer is summarized in the steps and diagram that follow. (Please note that these steps can vary in sequence and often occur simultaneously.)

10 STEPS TO COMMERCIALIZATION

1 RESEARCH: Observations and experiments during research activities often lead to discoveries and inventions. An invention is any useful process, machine, composition of matter, or any new or useful improvement of the same. Often, multiple researchers may have contributed to the invention.

2 PRE-DISCLOSURE: Make an early contact with TPL group personnel to discuss your invention and to provide guidance with respect to the disclosure, evaluation and protection processes described below.

3 INVENTION DISCLOSURE: The written notice of invention to the TPL group begins the formal technology transfer process. An invention disclosure remains a confidential document. It should be fully completed so that the options for commercialization can be evaluated and pursued.

4 ASSESSMENT: This is when you and a TPL group representative review the invention disclosure, conduct patent searches, if applicable, and analyze the market and competitive technologies to determine the invention’s commercialization potential.

This evaluation process, (continued on page 9)
A flow chart of UConn’s IP evaluation process can be found at: [http://innovation.uconn.edu](http://innovation.uconn.edu).
which may lead to a broadening or refinement of the invention, will guide our strategy on whether to focus on licensing to an existing company or creating a new business startup.

PROTECTION: This is the process in which protection for an invention is pursued. Patent protection, a common legal protection method begins with the filing of a patent application with the U.S. Patent Office and, when appropriate, foreign patent offices. Once a patent application has been filed, it typically will require several years and tens of thousands of dollars to obtain issued U.S. and foreign patents. Other protection methods include copyright, trademark, trade secrets and contractual use restrictions (e.g., for databases and materials).

MARKETING: With your active involvement, the TPL group staff identifies candidate companies that have the expertise, resources and business networks to bring the technology to market. This may involve partnering with an existing company or forming a startup. Your active involvement can dramatically shorten this process.

FORM A STARTUP: If creation of a new business startup has been chosen as the optimal commercialization path, the UConn Ventures specialists will work as business formation consultants to assist in planning, forming and funding the startup.

EXISTING BUSINESS: If an appropriate and interested existing company, or companies, are selected as a potential licensee, the TPL group licensing specialists work with those potential licensees to develop the appropriate financial and diligence terms to fully commercialize the technology.

LICENSING: A license agreement is a contract between UConn and a third party in which UConn’s rights to a technology are licensed, without relinquishing ownership, for financial and other benefits.

A license agreement is used with both a new start-up business or with an established company. An option agreement is sometimes used to enable a third party to evaluate the technology for a limited time prior to making a decision about licensing.

COMMERICALIZATION: The licensee continues the advancement of the technology and makes other business investments to develop the product or service. This step may entail further development, regulatory approvals, sales and marketing support, training and other activities.

REVENUE: Revenues received by UConn from licenses are distributed to schools, an inventor’s research account, departments, central administration and inventors to fund additional research and education and to encourage further participation in the tech transfer process. (Please refer to the section that describes UConn’s Royalty Share Policy in the back of this guide.)
How can I help in this process?

- Contact the Office of Economic Development or the appropriate program office when you believe you have a scientific or technical observation with potential commercial or research value.

- Complete and submit the UConn Invention Disclosure Form to Technology Partnerships and Licensing group in sufficient time to file a patent application before publicly disclosing your technology or publishing a manuscript – preferably before submitting the manuscript for publication.

- To avoid risking your patent rights and possibly hindering the opportunity to market your invention, contact the TPL group before holding any discussions with people outside the UConn community. If a patent application has not yet been filed, TPL will give you a Non-Disclosure Agreement for the parties to sign before you describe your invention to them.

- On the UConn Invention Disclosure Form, include companies and contacts you believe might be interested in your intellectual property (IP) or who may have already contacted you about your invention. Studies have shown that over 70% of all licenses are executed with commercial entities known by the inventor, so your contacts can be extremely useful.

- Respond to the TPL group and outside patent counsel requests. While some aspects of the patent and licensing process will require significant participation on your part, we will strive to make efficient use of your valuable time.

- Keep the TPL group informed of upcoming publications or interactions with companies related to your intellectual property.
May I use material or intellectual property from others in my research, or share material, research tools or intellectual property with others to further their research?

Yes. It is important to document carefully the date and conditions of use so that we can determine if this use may influence the commercialization potential of your subsequent research results. If you wish to obtain materials from outside collaborators, a Material Transfer Agreement (MTA) should be completed. Depending on the circumstances, certain research related materials (such as proteins, DNA, cell lines, microbes, plants, animals and chemicals) may be "transferred" from UConn to an outside entity, or such materials may be received by UConn from an outside entity. These transactions are mutually beneficial, because the sharing of materials greatly expands research opportunities. Generally, all material transfers going out of the university must be accompanied by a formal agreement that may address a variety of issues including: definition of materials, ownership of inventions, licensing, government rights, confidentiality, indemnity, publication and ownership of data. Frequently, incoming materials will be accompanied by an agreement from the source. MTAs will be generated, reviewed and negotiated by the Office of Sponsored Programs (OSP), the Office of Research and Sponsored Programs (ORSP) or the TPL group like any other research-related contract. Often such agreements are succinct descriptions of the transaction, and do not take long to complete. It also may be necessary to have a Non-Disclosure Agreement or Confidential Disclosure Agreement completed to protect your research results or intellectual property. For assistance, contact the TPL group. Please see more at: http://www.policy.uconn.edu.

Will I be able to publish the results of my research and still protect the commercial value of my intellectual property?

Yes, but since patent rights are affected by these activities, it is best to submit an Invention Disclosure Form well before any public communication or disclosure. There are significant differences between the U.S. and other countries in terms of how early publication affects a potential patent. Whenever public disclosure occurs, the inventor loses worldwide patent rights for that invention. Additionally, there is only a one-year window to obtain patent protection in the U.S. Whenever possible, contact the TPL group prior to public disclosure to make sure your work is appropriately protected.
**What rights does a research sponsor have to any discoveries associated with my research?**

The sponsored research agreement or grant agreement should specify the intellectual property rights of the sponsor. In the case of the U.S. government (NIH, NSF, etc.), a non-revocable, non-exclusive license to use the technology is maintained. For commercial sponsored research, the University of Connecticut retains ownership of the patent rights and other intellectual property resulting from the sponsored research.

However, the sponsor may have rights to obtain a license to the intellectual property arising from the research. Often, the sponsored research contract allows the sponsor a limited time to negotiate a license for any patent or intellectual property rights developed as the result of research. Even so, the sponsor generally will not have contractual rights to discoveries that are clearly outside the scope of the research (and which do not use funds from the research agreement). Therefore, it is important to define the scope of work within a research agreement.

**What about consulting?**

Consulting is an activity performed by a faculty member for compensation as a result of his/her expertise or prominence in his/her field while not acting in his/her official capacity as a state employee (i.e., in his or her own time.) UConn’s Laws and Bylaws prohibit faculty from consulting on “time due to the university.” Faculty members who work less than 50% time are exempted from the faculty consulting approval process. Please see more at: [http://consulting.uconn.edu/](http://consulting.uconn.edu/).

Researchers who enter into consulting agreements should familiarize themselves with UConn policies relevant to consulting activities. The researcher is expected to ensure that the terms of the consulting arrangement are consistent with the university’s policies, including those related to IP ownership, employment responsibilities and use of intellectual property. The TPL group is available to provide informal advice on how your consulting agreement relates to UConn’s intellectual property you have created.
INVENTION DISCLOSURE

What is an Invention Disclosure?
When an inventor believes that he or she has made something that qualifies as an invention, it is necessary to reveal the information to Technology Partnerships and Licensing (TPL) group by filling out a document known as an Invention Disclosure Form, available on the OED website: http://innovation.uconn.edu. This disclosure should list all sponsors of the research and should include all the information necessary to pursue protection and commercialization activities.

It is critical that you complete every section of the disclosure in as much detail as possible or its processing can be delayed. You should also note the date of any upcoming publications or other public disclosure describing the invention.

When you are finished you may e-mail an electronic copy of the disclosure to the TPL group, but you will need to send a signed copy, as well. This document will be treated as confidential. One of the TPL Licensing Directors will contact you shortly after your submission to discuss the invention and its potential commercial applications.

Why should I submit an Invention Disclosure?
All researchers are required to disclose to UConn all intellectual property that could constitute inventions or copyrighted works. This is done through completion of an Invention Disclosure Form. Invention disclosure is critically important for all projects, especially where any portion of the funding comes from the federal government, private foundation or commercial sponsor.

Federal law requires prompt disclosure for federally funded inventions; UConn, inventors and involved companies could lose very significant rights if disclosures are not promptly made.

How do I know if my discovery is an invention?
You are encouraged to submit a disclosure for all developments that you feel may solve a significant problem and/or have significant value. If you are in doubt, contact the TPL group to discuss the potential invention. We can also advise on alternatives to licensing.
When should I complete an Invention Disclosure?

Any faculty, staff member or student who believes he or she may have created an invention or has a novel idea is obligated to disclose the nature of the invention and to provide background information and literature to TPL. A disclosure should be submitted to the TPL group once a researcher can concisely define the invention and have reduction to practice to substantiate the invention either through modeling or experimentation. A disclosure form should always be submitted prior to public disclosure. To avoid overlooking inventions, researchers should err on the side of inclusion and let the TPL group secure a professional evaluation.

How do I know if I have an invention?

Inventions are easy to define, but can be difficult to recognize. An invention is "the discovery or creation of a new material (either a new manufactured product or a new composition of matter), a new process, a new use for an existing material or any improvements of any of these." Computer software may also be classified as an "invention."

The United States patent law requires that an invention meet the following three criteria, in order to be eligible for patent protection:

- Novelty: The invention must be demonstrably different from already available ideas, inventions or products (known as "prior art"). This does not mean that every aspect of an invention must be novel. For example, new uses of known processes, machines, compositions of matter and materials are patentable. Incremental improvements on known processes may also be patentable.

- Usefulness: For an invention to be patentable, it must have some utility or application, or be an improvement over the existing products and/or technologies.

- Non-obviousness: The invention cannot be obvious to a person of "ordinary skill" in the field. Non-obviousness usually is demonstrated by showing that practicing the invention yields surprising, unexpected results.

After evaluating the invention disclosed, the TPL staff will determine whether a potential invention meets these criteria.

Some university research projects are clearly oriented toward invention from the outset. For example, the goal of a project may be to develop a new alloy, or it may be to find a new test for AIDS. If the research is successful, the result is likely to be an invention. Other research at UConn may not lead to a new discovery or invention.
For example, a study of the effects of radiation on plant growth might identify previously unknown effects, but this new knowledge, while valuable and publishable, is not necessarily an invention. However, an invention could result if, while studying the radiation effects, the researcher discovered that a specific radiation frequency - applied at a particular period of plant gestation - increased the size of the mature plant by an average of 5 percent. The technological process of applying that radiation frequency at a specific time in a plant's life could be an invention.

Sometimes identifying which part of a complex research effort might constitute an invention is very difficult. History is replete with examples of inventions buried in scientific studies focused on other issues. Frequently, new tools or techniques are developed to meet a particular research objective, but are overlooked once the objective is reached. These tools and techniques may constitute valuable inventions. This example illustrates that the scope of possible inventions can be very broad. If you are unsure if what you have discovered is an invention, contact the TPL group for assistance.

Should I list visiting scientists, collaborators from other universities or collaborators from industry on my Invention Disclosure Form?

All contributors to the ideas leading to a discovery should be mentioned in your disclosure, even if they are not UConn employees. The TPL group will determine the rights of such persons and institutions. It is prudent to discuss with TPL staff all working relationships (preferably before they begin) to understand the implications for any subsequent inventions. TPL routinely negotiates inter-institutional agreements for technologies jointly developed with other universities.

Should I disclose research tools?

Yes. Typically research tools are materials such as antibodies, vectors, plasmids, cell lines, mice and other materials used as "tools" in the research process. Research tools do not necessarily need to be protected by patents in order to be licensed to commercial third parties and generate revenue for your laboratory.

Other research tools (such as a new separation process) may need to be patented in order for a company to invest in the engineering development and make the process broadly useful. If you have research tools that you believe to be valuable, the TPL group will work with you to develop the appropriate protection, licensing and distribution strategy.

The TPL group or your grants office will also help you distribute research materials at zero or minimal charge to other academic collaborators while preserving a material’s commercial potential.
OWNERSHIP
OF INTELLECTUAL PROPERTY

What is “intellectual property”? 
Intellectual property (IP) is invention and/or material that may be protected under the patent, trademark and/or copyright laws.

Who owns what I create?
UConn owns inventions made by its employees while working under a grant or contract to UConn, or using UConn resources.

U.S. patent law specifies that all inventions are owned by the inventor(s) unless the inventor(s) has transferred ownership or title to another entity. This applies to UConn. Under Connecticut law (C.G.S., Sec. 10a-110b), UConn has the right to own title to any invention conceived by university employees (including but not limited to full-time and part-time faculty, post-doctoral fellows, student employees, research assistants, visiting scientists, and emeritus professors) in the performance of customary or assigned duties or which emerges from any research or other program of the university, or which is conceived or developed wholly, or partly, with the use of university funds, facilities, equipment or materials.

That is, by virtue of employment, employees of UConn are required to assign their right, title and interest in inventions to the university. Please see: http://www.policy.uconn.edu.

Where can I find UConn’s policy on ownership of inventions?
For details, the policy is listed at the OED website: http://innovation.uconn.edu. It is also summarized in the back of this guide.

Can a student contribute to an invention?
Yes. A student can even be the sole contributor or inventor. The policy for ownership of an invention developed with or by a student is the same as for any other member of UConn in certain circumstances.

The university requires students to assign rights to inventions occurring at the university under any of the following conditions:

1. When the student makes “substantial use” of university facilities and/or equipment in developing the invention (such as a faculty lab or research facility; this does not include student programs or facilities aimed at student innovation).

2. When the student is an employee of the university, performing services in return for monetary compensation, and the invention arises within the scope of that employment.

3. When the student is participating in sponsored or organized research at the university for which a contract addresses ownership.
Procedurally, a student who believes he or she should have clear title to an invention, which is developed at the university and which does not fall under the above categories, should contact the TPL group. Upon disclosure of the invention and examination of the details surrounding its development, the university may execute a waiver of rights regarding the invention to the student, or ask the student to assign his or her rights to UConn.

**Does submitting an Invention Disclosure to the TPL group secure patent protection?**
No. Submitting an Invention Disclosure Form does not directly result in any form of protection. TPL assesses a technology for commercial applicability and then makes a decision about filing for patent protection. You will be kept well informed of the process and should the TPL group decide to not seek patent protection for your technology, you will be given the opportunity to pursue protection on your own under license from UConn.

**What constitutes public disclosure?**
There are some gray areas to this question, but public disclosure includes journal publications, website publications, presentations at conferences, posters, dissertations, master theses or abstract publications. More generally, it is when the intellectual property is made publicly available and accessible to those skilled in the art to which the invention relates. If you have any questions about this please contact the TPL group.

**What is "prior art" and how do I find it?**
Prior art refers to anything regarding the potential invention that has come before. Remember, a patent has to be novel and non-obvious. Journal publications (including your own), foreign patents, U.S. patents, and patent applications are all areas that can contain prior art. Since the inventor knows better than most what the invention entails, he or she should be familiar with much of the prior art regarding the invention space. Searches of the Internet, journal articles and patents are helpful examples of places to perform prior art searches. Researchers can search the patent office at: [www.uspto.gov](http://www.uspto.gov).
How does the TPL group assess technology disclosures?
The TPL group, often with the help of inventors and/or a literature or patent search specialist, examine each invention disclosure to review the novelty of the invention, competing technologies, protectability and marketability of potential products or services, relationship to related intellectual property, size and growth potential of the relevant market, amount of time and money required for further development, preexisting rights associated with the intellectual property (IP), and potential competition from other products/technologies. With UConn Ventures, this assessment may also include consideration of whether the IP can be the basis for a new business startup.

If my conviction is that all IP should be licensed non-exclusively to all potential users for the public good, will UConn honor my request?
The TPL group will work with you to develop the appropriate commercialization strategy for your invention. Some technologies lend themselves to non-exclusive licensing (licensing to multiple third parties), while others will only reach the commercial marketplace if they are licensed on an exclusive basis.

UConn will try to accommodate inventors’ commercialization wishes consistent with the objectives of co-inventors and with obligations to sponsors or third parties.

How is market analysis done?
Market analysis involves gathering information in order to assess the overall value of the technology. Information is gathered from subscribed databases, the internet, published literature and general knowledge of companies participating in the given field of the invention. Obviously, the preexistence of a large number of successful companies in the given field is a good indicator of the potential market opportunity.

Also, businesses would prefer to know that any technology they adopt would provide them with a clear and significant advantage over their competitors. Thus, if an invention only makes a moderate improvement to a preexisting technology, then that improvement may face a difficult challenge in establishing itself in an already crowded market.
On the other hand, if a discovery opens up an entire new market, it can be very advantageous to establish control of the IP necessary for others to get into the same new field. Being able to control a commercial field creates a strong market advantage and may entice companies to invest more heavily in a given technology. Larger company investments can mean greater financial returns to the inventors and UConn. Unfortunately, work that is new to a given field can also be viewed as a commercial risk since there are no comparable products.

The calculus of valuing a new idea hinges on many factors. The process may be empirical by looking at similar deals on similar technologies, or it can be intuitive by estimating a sense of where a technology is headed in the future. In either case, input from the inventors is always important since they are the most knowledgeable in their given field.

Additionally, the TPL group may solicit advice from other researchers on campus. Together, the combined efforts of TPL, the inventors and other researchers on campus should provide an outline of how the technology might be used and what may be its potential worth.

Is an invention ever reassigned to an inventor?

If the TPL group decides not to pursue patent protection and/or chooses not to actively market the invention, UConn may, upon the request of the inventor(s), license back its rights to the inventor.

Among the key factors in UConn deciding to license back an invention are whether additional university resources or private resources could best improve marketability and whether all inventors agree with the terms of the license. Upon licensing back, the inventor(s) is responsible for payment of all further development, patenting and marketing expenses. If additional university resources are used to further develop the invention, UConn may terminate the inventor’s license back agreement.
What is a patent?
A patent gives the holder the right to exclude others from making, using, selling, offering to sell and importing any patented invention. Note, however, that a patent does not provide the holder any affirmative right to practice a technology, since it may fall under a broader patent owned by others; instead, your patent only provides the right to exclude others from practicing it. Patent claims are the legal definition of an inventor’s protectable invention.

What can be patented?
An invention is patentable if it is novel, non-obvious and useful (novel meaning new). Non-obviousness is achieved if someone who is skilled in the art would not have thought of the idea easily. A new and useful process, machine, manufacture or composition of matter, or any new and useful improvement may be eligible for patent protection. Methods making use of concepts and ideas may be eligible for patent protection. On the other hand, problems, concepts and ideas are not patentable.

What type of subject matter can be patented?
Patentable subject matter includes processes, machines, compositions of matter, articles, some computer programs and methods (including methods of making compositions, methods of making articles, and even methods of performing business).

Can someone patent a naturally occurring substance?
No; not in its natural state. However, a natural substance that has never been isolated or known may be patentable in some instances, but only in its isolated form (since the isolated form had never been known before). A variation of a naturally occurring substance may be patentable if an inventor is able to demonstrate substantial non-obvious modifications that offer significant advantages in using the variant.

What is the United States Patent and Trademark Office (USPTO)?
The USPTO is the federal agency, organized under the Department of Commerce, which administers patents on behalf of the government. The USPTO employs patent examiners skilled in all technical fields in order to appraise patent applications. The USPTO also issues federal trademark registrations.

What is the definition of an inventor on a patent and who determines this?
Under U.S. law, an inventor is a person who takes part in the conception of the ideas in the patent claims of a patent application.
Thus, inventorship may change as the patent claims are changed during prosecution of the application. An employer or person who furnishes money to build or practice an invention is not an inventor. Inventorship may require an intricate legal determination by the patent attorney prosecuting the application.

**Who is responsible for patenting?**
The Technology Partnerships and Licensing (TPL) group, through the Attorney General’s office, contracts with outside patent counsel for patent protection, thus assuring access to patent specialists in diverse technology areas. Inventors work with the patent counsel in drafting the patent applications and responses to patent offices in the countries in which patents are filed.

**Who owns UConn intellectual property (IP)?**
All IP is assigned to the University of Connecticut as dictated by policy and as stated in this guide.

**What is a provisional application?**
In the United States, one can file a provisional patent application to cover an invention. A provisional patent establishes a priority date with the USPTO, but the USPTO does not begin the examination process. It gives the inventor, via UConn, a one-year window in which to file a non-provisional patent application. During this time the inventor can further develop the invention, determine marketability, acquire funding or capital or seek licensing agreements. If a non-provisional patent is not filed within one year of the provisional application, then this application and priority date are abandoned.

**What is the patent process?**
A patent attorney or a patent agent generally drafts patent applications. The patent attorney generally will ask you to review an application before it is filed and will also ask you questions about inventorship of the application claims. At the time an application is filed, the patent attorney will ask the inventor(s) to sign an inventor declaration and an assignment under which the inventor(s) assigns his or her rights in the patent to the University of Connecticut.

Within 18-36 months, depending on the technology, the patent attorney will receive written notice from the USPTO as to whether the application and its claims have been accepted as patentable in the form as filed. More often than not, the USPTO rejects the application because either certain formalities need to be cleared up or claims are not patentable over the prior art. The letter sent by the USPTO is referred to as an office action.

If the application is rejected, the patent attorney must file a written response, usually within three to six months. Generally the attorney may amend the claims and/or point out why the USPTO
position is incorrect. This procedure is referred to as patent prosecution. Often it will take two USPTO office actions and two responses from the attorney before the application is resolved. The resolution can take the form of a USPTO notice that the application is allowable (and they issue a patent). During the prosecution process, input from the inventors is often needed to confirm the patent attorney understands the technical aspects of the invention and/or the prior art cited against the application.

Is a patent application confidential?
The USPTO holds patent applications confidential until published by the USPTO, which is 18 months after initial filing.

How long does it take to obtain a patent?
Generally patents are issued within several years after application, though inventors in the biotech and computer fields should plan on a longer waiting period. During this period a patent is pending.

Can an invention be corrected once a patent is granted?
Typographical errors may be corrected by filing a certificate of correction. When a patent is defective in certain aspects, the patentee may apply for a reissue patent. New matter cannot be added to the invention. A reissue patent is granted following the examination of the changes made to the invention. It replaces the original patent and is granted only for the remaining years left from the unexpired term.

Does it cost anything to file a patent?
Yes. Between USPTO filing fees and associated attorneys costs, filing a patent in just the United States can cost between $10,000 and $30,000. International patent filings are even more expensive as they cover a larger number or countries and often involve foreign attorneys and translators. Patent Cooperation Treaty (PCT) filings, plus filings in major industrialized nations, have been known to cost well over $100,000. Additionally, there are annual maintenance fees for all patents, pushing the cost over the lifetime of a patent even higher.

What is a maintenance fee?
All United States utility patents issued are subject to the payment of maintenance fees that must be paid to maintain the patent in force. These fees are due at 3.5, 7.5, and 11.5 years from the date the patent is granted.

What’s different about foreign patent protection?
Foreign patent protection is subject to the laws of each individual country, although in a general sense the process works much the same as it does in the U.S. In most foreign countries, however, an inventor will lose any patent rights if he or she publicly discloses the invention prior to filing of the first (or “priority”) application in one
country. In contrast, the U.S. has a one-year grace period after publication in which a patent may be filed.

**Is there such a thing as an international patent?**

Although an international patent does not exist, an international agreement known as the Patent Cooperation Treaty (PCT) provides a streamlined filing procedure for most industrialized nations. For U.S. applicants, a USPCT application is generally filed one year after the corresponding U.S. application (either provisional or regular) has been submitted. The PCT application must later be filed in the national patent office of any country in which the applicant wishes to seek patent protection, generally within 30 months of the earliest claimed filing date.

**What is gained by filing an application under the PCT?**

The PCT application provides two advantages. First, it delays the need to file costly foreign applications until the 30-month date, often after an applicant has the opportunity to further develop, evaluate and/or market the invention for licensing. Second, the international preliminary examination often allows an applicant to simplify the patent prosecution process by having a single examiner speak to the patentability of the claims, which can save significant costs in prosecuting foreign patent applications.

Another important international treaty called the Paris Convention permits a patent application filed in a second country (or a USPCT application) to claim the benefit of the filing date of an application filed in a first country, provided that so-called “convention applications” are filed in foreign countries (or as a USPCT) within one year of the first filing date of the U.S. application.

**How many years will my patent last?**

Utility patents are granted for a term that begins on the date of the grant and ends 20 years from the date the patent application was first filed. Inventors can lose their rights when periodic maintenance fees are not paid or when the term expires.

**What happens when a patent expires?**

After a patent has expired, anyone may either make, use, offer for sale, sell or import the invention. This is without permission of the patentee (provided that matter covered by other unexpired patents is not used).

**Why does UConn protect some intellectual property through patenting?**

Potential commercialization partners (licensees) frequently require patent protection to protect the commercial partner’s often sizable investment required to bring the technology to market. Patent applications are not possible for all UConn intellectual property, due to their expense. We carefully review the commercial
potential of an invention before investing in the patent process. However, because the need for commencing a patent filing usually precedes finding a licensee, we look for creative and cost-effective ways to seek early protection for as many promising inventions as possible.

**Who decides what gets protected?**
The TPL group and the inventor(s) together discuss relevant factors in deciding whether to file a patent application. Ultimately, the TPL group makes the final decision as to whether to file.

**What if I created the invention with someone from another institution or company?**
Generally, the invention will be jointly owned by UConn and the other institution or company. Each inventor will assign his or her rights to the employer. The TPL group will work with the other institution to decide on management of the invention. Usually, if the other institution is a university or research institution, TPL will make an “inter-institutional” agreement that provides for one of the institutions to take the lead in protecting and licensing the invention, sharing of expenses associated with the patenting process, and allocating any licensing revenues.

**Will the TPL group initiate or continue patenting activity without an identified licensee?**
Often the TPL group accepts the risk of filing a patent application before a licensee has been identified. After UConn’s rights have been licensed to a licensee, the licensee generally assumes the patenting expenses. At times TPL must decline further patent prosecution after a reasonable period (often two or three years) of attempting to identify a licensee.

**What is infringement of a patent?**
Infringement of a patent consists of the unauthorized making, using, offering for sale or selling any patented invention within the covered country during the term of the patent. A patentee can sue the infringer, ask for an injunction to prevent the continuation of infringement and ask for an award of damages.

**What should I do if I believe that my patent is being infringed upon?**
Contact the TPL group, where staff will work with you and the possible infringer.

**What is a copyright?**
A copyright is a form of protection provided by the laws of the U.S. and other countries to the authors of “original works of authorship.” This includes literary, dramatic, musical, artistic and certain other intellectual works as well as computer software. This protection is available to both published and unpublished works. The Copyright Act usually gives the owner of copyright the exclusive right to conduct and authorize various acts, including
reproduction, public performance and making derivative works.

Copyright protection is automatically secured when a work is fixed into a tangible medium such as a book, software code, video, etc. In the United States, copyright protection lasts the lifetime of the author plus 70 years. In some instances, the TPL group registers copyrights, but generally not until the commercial product is ready for manufacture. All new software and source code should be disclosed as any new invention and processed and managed by the TPL group.

**How do I represent a copyright notice?**

Although copyrightable works do not require a copyright notice, we do recommend that you use one. For works owned by UConn use the following notice: "© 20XX University of Connecticut. All rights reserved."

**How can I learn more about UConn copyright policies?**

We recommend that you contact the TPL group. You can also review material at: [http://www.lib.uconn.edu/copyright/](http://www.lib.uconn.edu/copyright/).

**What is a trademark or service mark?**

A trademark includes any word, name, symbol, device or combination that is used in commerce to identify and distinguish the goods of one manufacturer or seller from those manufactured or sold by others, and also to indicate the source of the goods. In short, a trademark is a brand name.

A service mark is any word, name, symbol, device or combination that is used or intended to be used in commerce to identify and distinguish the services of one provider from those of others and to indicate the source of the services. It is not necessary to register a trademark or service mark to prevent others from infringing upon the trademark.

Trademarks generally become protected as soon as they are adopted by an organization and used in commerce (even before registration). With a federal trademark registration, the registrant is presumed to be entitled to use the trademark throughout the U.S. for goods or services for which the trademark is registered. UConn has trademark protection on items such as sports logos, mascots, emblems, and images of university events.
CONSIDERATIONS FOR A
STARTUP COMPANY

What is a startup and why choose to create one?
A startup is a new business entity formed to commercialize one or more related intellectual properties. Forming a startup business is an alternative to licensing the IP to an established business. A few key factors when considering a startup company are:

• Development risk. Often large companies in established industries are unwilling to take the risk for unproven technology.
• Development costs versus investment return. Can the investors in the startup obtain their needed rates of return?
• Potential for multiple products or services from the same technology. Few companies survive on one product alone.
• Sufficiently large competitive advantage and target market.
• Potential revenues sufficient to sustain and grow a company.

UConn Ventures can help evaluate these and other factors.

Who decides whether to form a startup?
The choice to establish a new company for commercializing intellectual property is a joint decision made by UConn Ventures and the inventors. If a new business startup is chosen as the preferred commercialization path, UConn Ventures can assist you and the other founders in meeting investors, consultants, and entrepreneurs and accessing other resources at UConn to advise you in founding the company. Then, UConn Ventures, under a license from UConn, will negotiate with a representative of the company (who should not be an employee of UConn, to avoid conflict of interest), to grant a sub-license to the new company.

Also, it is wise for inventors to have agreements regarding their roles with the startup reviewed by their own counsel to ensure that all personal ramifications – including taxation and liabilities – are clearly understood.

As a faculty/staff member, would UConn allow me to start a company (with or without UConn Ventures) and continue my position here?
Yes. However, UConn will not release you from your university commitments, teaching and/or research duties simply because you start a company. Remember, establishing and running a company requires considerable time and effort. Being involved in a startup also presents unique conflicts that must be disclosed and managed by the inventors and UConn.
**Are there any university policies or rules that are applicable to establishing a business?**

Yes. There are several policies that relate to conflict of interest and conflict of time commitment situations. Please see: [http://www.policy.uconn.edu](http://www.policy.uconn.edu). You also may refer to: [http://compliance.uconn.edu/conflict.cfm](http://compliance.uconn.edu/conflict.cfm).

**If UConn Ventures decides not to start a company with my invention, can I license from UConn a technology that I developed/invented at UConn for my company?**

Yes. Licensing a technology to your company would be done on a business basis, as with any other company. Faculty, academic staff and students should carefully weigh the risks and opportunities of starting a new business. A preliminary market assessment should be conducted to determine the prospects for success. This market research will be useful to build a business plan for a startup company.

**Will UConn Ventures help me with my company by providing business advice and/or financing?**

Perhaps, however the OED has several programs for assisting in market research, business planning and the set-up of new companies. In many cases, UConn will establish a new company itself, even if UConn Ventures chooses not to do so. It is the decision of UConn Ventures and the TPL group as to whether it is in UConn's best interest to start a new company or license to an existing company.

**After a company is established, it may plan to apply for SBIR and STTR support. If successful, it will want to subcontract with UConn to conduct some research. Can it do this?**

Yes. However, by supporting research at UConn, especially in your laboratory, the company could cause a conflict of interest for you. This situation needs to be discussed. An uninvolved person should be selected to review both the research and finances of any project in your laboratory that is supported by your company.

**Do I need permission to set up a company?**

No. But you are required to disclose to UConn possible conflicts of interest. This may result in the creation of a management plan. (Use of UConn IP will require a license.)
Does UConn provide space or equipment for use by startup companies?

Yes. The Technology Incubation Program (TIP) offers new companies that have a technology linkage or synergistic relationship with UConn the ability to locate on campus and access resources that could be otherwise unattainable for a fledgling company.

TIP supports the incubation process that offers lab and office facilities, business-planning resources, access to faculty experts, expensive instrumentation and specialized equipment. With facilities at Storrs, Avery Point and Farmington, the TIP is home to a variety of young companies. In some cases TIP clients are working with UConn technology and others have their own intellectual property.

What does it take to successfully establish a business?

There are a number of factors that influence success. Some of these are to:

- Have a protected product or process that is new and/or superior to anything currently in the marketplace
- Create a full-time management team well versed in startup and business operations
- Recognize that an inventor or an academician may not be an effective business manager
- Gain access to sufficient capital and adequate facilities
- Obtain long-term commitments from venture capitalists and management
- Utilize available, low-cost, experienced business assistance
- Have some amount of good luck
MARKETING
TO FIND A LICENSEE

**How does the TPL group market my invention?**
The TPL group uses many sources and strategies to identify potential licensees and market inventions. Sometimes existing relationships of the inventors, the TPL group and other researchers are useful in marketing an invention. Market research can also assist in identifying prospective licensees. In addition, we also examine other complimentary technologies and agreements to assist our efforts. Faculty publications and presentations are often excellent marketing tools as well.

**Where are potential licensees found?**
Licensees can be identified in many ways. First, the inventors are often aware of the commercial companies who would be interested in the work. Industry-specific marketing efforts, including trade show participation, affiliations and market research carried out by the OED, also seek to identify potential licensees. Additionally, issued patents listed by the USPTO can provide names of companies who currently have patents similar in nature; often these can prove to be potential licensees.

**How are most licensees found?**
Studies have shown that 70% of licensees were known to the inventors. Thus research and consulting relationships are often a valuable source for licensees. Licensees are also identified through existing relationships of the OED staff. We attempt to broaden these relationships through contacts obtained from personal networking and from website inquiries, market research, industry events and the cultivation of existing licensing relationships.

**What is a Confidentiality Agreement?**
Confidentiality Agreements, named Non-Disclosure Agreements (NDAs) or Confidential Disclosure Agreements (CDAs), are agreements between UConn and an outside entity (company, person). This is used to facilitate discussions of information that the parties wish to keep out of the public. For companies, sharing of their business needs can lead towards developing solutions with UConn personnel; however, they may not want such needs to be known to their competitors. For UConn, maintaining confidentiality can preserve rights to inventions. Many university offices and the programs of OED can provide NDAs/CDAs and can ensure proper agreements are put in place. Please see: [http://www.policy.uconn.edu](http://www.policy.uconn.edu).

**Can there be more than one licensee?**
Yes. An invention can be licensed to multiple licensees, either non-exclusively to several companies or exclusively to several companies, each for a unique field of use (or only application), or geography.

**What is an Exclusive or Non-Exclusive Option Agreement?**
Option agreements are used so that companies can be exposed to a technology and consider whether or not securing a license makes sense.
They are limited in time in order for feasibility to be investigated; an option does not grant commercial rights. An option can be either exclusive (where for a given limited timeframe no other options will be granted to evaluate a piece of intellectual property) or non-exclusive (where other options may also be granted from UConn). The outcome of an option is a go/no-go decision by the company to license the technology.

**How long does it take to execute a license agreement?**

Every license is unique in that it brings together university intellectual property to solve a company’s specific problem. Once the company identifies the intellectual property, terms of a license need to be negotiated to a mutually acceptable conclusion. Execution can take as little as a few weeks to over a year, depending on the complexity and the response times of all those involved.

**How can I assist in marketing my invention?**

Your active involvement can dramatically improve the chances of matching an invention to an outside company. Your research and consulting relationships are often helpful in both identifying potential licensees and technology champions within companies. Once interested companies are identified, the inventor is the best person to describe the details of the invention and its technical advantages. The most successful technology transfer results are obtained when the inventor and the TPL group Licensing Director work together as a team to market and promote use of the technology.

**What happens after a license has been executed?**

TPL tracks the progress of the licensee towards milestones and goals established in the signed agreement. Licenses usually state that technology progress reports must be submitted regularly until a product hits the market. Some companies will fund research and development of the technology at UConn in the inventor’s lab. Others may offer a consulting position to the inventor as they develop a product at the licensee’s facilities.

The TPL group usually continues to manage the patents, if there are any, and will sometimes need to handle patent interferences, patent infringement or deal with arbitration or litigation surrounding a technology or a license. Once a product is offered for sale, TPL requires quarterly reports and royalty payments from the licensee, although specific terms vary from license to license. Payouts are made according to the royalty sharing policy after UConn has recouped its out-of-pocket expenses.

**How are the inventor contribution percentages assigned?**

Inventor contribution percentages refer to the share of net royalty income that is split amongst the inventors; the standard disposition is equal sharing. However, it is up to the inventors to propose and agree on a different formula and communicate that agreement to the TPL group. This is accomplished by filling out the back of the Invention Disclosure Form.
LICENSE AGREEMENTS

What is a license?
A license grants permission by the owner or controller of intellectual property to another party, under a formal agreement, for use of the intellectual property.

What is a license agreement?
License agreements describe the rights and responsibilities related to the use and exploitation of intellectual property developed at UConn. University license agreements usually stipulate that the licensee should diligently seek to bring the intellectual property into commercial use for the public good and provide a reasonable return to UConn.

How is a company chosen to be a licensee?
A licensee is chosen based on its ability to commercialize the technology for the benefit of the general public. Sometimes an established company with experience in similar technologies and markets is the best choice. In other cases, the focus and intensity of a start-up company is a better option. It is rare for UConn to have multiple potential licensees bidding on an invention.

What can I expect to gain if my IP is licensed?
Per university policy, a share of any financial return from a license is provided to the inventor personally and to support the inventor’s research. Most inventors enjoy the satisfaction of knowing their inventions are being deployed for the benefit of the general public. New and enhanced relationships with businesses are another outcome that can augment one’s teaching, research and consulting. In some cases, additional sponsored research may result from the licensee.

What is the relationship between an inventor and a licensee, and how much of my time will it require?
Many licensees require the active assistance of the inventor to facilitate their commercialization efforts, at least at the early stages of development. This can range from infrequent, informal contacts to a more formal consulting relationship. Working with a new business startup can require substantially more time, depending on an inventor’s role in or with the company and his/her continuing role within UConn. Participation with a startup is governed by university conflict of interest policies and the approval of the inventor’s supervisor.
What other types of agreements and considerations apply to tech transfer?

Sponsored Research Agreements (SRAs):
A university/industry research collaboration is formalized by an SRA. The sponsor and faculty member agree on the specifics of the work and a tentative budget. The final budget and all other aspects of the final contract are negotiated via the Office of Sponsored Programs (OSP) on the Storrs campus or the Office of Research and Sponsored Programs (ORSP) at the Health Center. The contract addresses a variety of issues including amount of funding, scope of work, IP rights, governing law, etc.

Non-Disclosure Agreements (NDAs) or Confidential Disclosure Agreements (CDAs):
CDAs/NDAs are often used to protect the confidentiality of an invention during evaluation by potential licensees. CDAs/NDAs also protect proprietary information of third parties that UConn researchers need to review in order to conduct research or to evaluate research opportunities. UConn enters into CDAs/NDAs for university proprietary information shared with someone outside of UConn. CDAs/NDAs can be prepared or reviewed and signed by the OSP, the ORSP or the TPL group.

Material Transfer Agreements (MTAs):
MTAs are used for incoming and outgoing materials at UConn, especially for outgoing materials to industry, and are administered by the TPL group. These agreements describe the terms under which UConn researchers and outside researchers may share materials, typically for research or evaluation purposes. Intellectual property rights can be endangered if materials are used without a proper MTA. Material transfers going out of UConn must be accompanied by a formal agreement that addresses a variety of issues including definition of the materials, ownership, licensing rights, publication, etc. MTAs will be generated, reviewed and negotiated by the OSP, the ORSP, or the TPL group.

Fee for Services Agreements (FSAs):
UConn may perform service-for-a-fee, which is essentially running previously developed tests on a sponsor’s materials, if such work is consistent with a department’s academic mission, and if UConn is uniquely qualified and positioned to do so. Such work is not research, and fee funds cannot be used to conduct research. The material and data provided, as well as those generated, may be proprietary to the sponsor. A pre-agreed Statement of Work is required, and to avoid problems, the Principle Investigator (PI) should not vary from it or any other relevant agreed upon conditions. FSAs are negotiated by the OSP, or the purchasing department of the Health Center.

Option Agreements or Option Clauses:
Option Agreements within research agreements describe the conditions under which UConn preserves the opportunity for a third party to negotiate a license for intellectual property. Option Clauses are often provided in a SRA to corporate research sponsors. Option Agreements are entered into with third parties wishing to evaluate the technology prior to entering into a full license agreement.
COMMERCIALIZATION

**What activities occur during commercialization?**

Most licensees continue to develop an invention to enhance the technology, reduce risk, prove reliability and satisfy the market requirements for adoption by customers. This can involve additional testing; prototyping for manufacturability, durability and integrity; and further development to improve performance and other characteristics.

Documentation for training, installation and marketing is often created during this phase. Benchmarking tests are often required to demonstrate the product/service advantages and to position the product in the market.

**What is my role during commercialization?**

Your role can vary depending on your interest and involvement, in the interest of the licensee in utilizing your services for various assignments, and any contractual obligations related to the license or any personal agreements.

**What revenues are generated for UConn if commercialization is successful? If unsuccessful?**

Most licenses have licensing fees that can be very modest (for startups or situations in which the value of the license is deemed to warrant a modest license fee) or can reach hundreds or thousands of dollars.

Royalties on the eventual sales of the licensed products can generate revenues, although this can take years to occur. Equity, if included in a license, can yield returns, but only if a successful equity liquidation event (public equity offering or a sale of the company) occurs. Most licenses do not yield substantial revenues.

A recent study of licenses at U.S. universities demonstrated that only 1% of all licenses yield over $1 million. However, the rewards of an invention reaching the market are often more significant than the financial considerations alone.

**What will happen to my invention if the startup company or licensee is unsuccessful in commercializing the technology? Can the invention be licensed to another entity?**

Licenses typically include performance milestones that, if unmet, can result in termination of the license. This termination allows for subsequent licensing to another business.
CONFLICT OF INTEREST

Conflict of Interest means a situation in which significant financial interests in a business (or other personal considerations provided by a business) may compromise, or have the appearance of compromising, an investigator's professional judgment in conducting or reporting research, the results of which could directly or indirectly affect the aforementioned business. A financial Conflict of Interest does not necessarily arise in connection with the following activities, and this Policy does not automatically prohibit activities such as:

- Equity participation in a corporation
- Service as an officer in a corporation
- Service on a governing board
- Service on a scientific advisory board
- Receipt of funding from an external entity in which an employee has an interest
- Acceptance of publication royalties, royalties under the terms of the University Royalty Distribution Policy or honoraria for papers and lectures
- Service to outside educational, professional, scientific, artistic, cultural, civic, business or other organizations, which service enhances the value of the employee to the university and does not adversely affect the employee's primary commitment to the university

An Apparent Conflict of Interest arises when an employee is involved in a particular matter, and the circumstances are such that a reasonable person with knowledge of the relevant facts would question the impartiality of the employee in the matter.

For more information, please see:

- Financial Conflict of Interest
  The policy provides guidelines for relationships between the university and its investigators with private industry, federal and state government, and the nonprofit sector that will help to assure the primacy of academic integrity. The university encourages investigators to engage in appropriate outside relationships, and members of the university community are expected to avoid conflicts of interest that have the potential to directly and significantly affect the university's interests, compromise objectivity in carrying out university responsibilities, or otherwise compromise performance of university responsibilities, unless such conflicts are disclosed, reviewed, and managed in accordance with this policy. The fact that an individual has a financial conflict does not imply that the conflict is unethical or impermissible; it means that the relation of the conflict to the individual's university responsibilities must be carefully examined and in some cases, managed, because conflicts – or the appearance of a conflict – may impair the pursuit of the university's missions of teaching, research and public service, as well as jeopardize public trust and support.

- Conflict of Interest in the Code of Conduct
  [www.audit.uconn.edu/doc/codeofethics.pdf](http://www.audit.uconn.edu/doc/codeofethics.pdf)

- Other Conflict of Interest
  [http://compliance.uconn.edu/conflict.cfm](http://compliance.uconn.edu/conflict.cfm)
How are license revenues distributed?
The Technology Partnerships and Licensing (TPL) group is responsible for managing the expenses and revenues associated with technology agreements. Per UConn policy, revenues from license fees, royalties and equity – minus any unreimbursed patenting expenses – are shared with the inventors. See more at: http://innovation.uconn.edu.

For purposes of revenue distribution, “inventors” are defined as named inventors on patents or authors of copyrighted materials.

How are inventor revenues distributed if there are multiple inventors/inventions in a license?
The “inventors’ share” of royalties is divided equally among all inventors unless all inventors agree in writing to another distribution formula of their collective choice.

How is equity from a license distributed?
The equity that UConn receives under a license agreement is distributed to inventors in accordance with the same policy that governs the distribution of cash royalties. The prescribed shares may be issued by the company to these inventors in the inventors’ names.

What will happen to my invention if the startup company or licensee is unsuccessful?
Can the invention be licensed to another entity?
Licenses typically include performance milestones that, if unmet, can result in termination. This may allow for re-licensing (but, some factors can hinder this re-licensing).

What are the tax implications of any revenues I receive from UConn?
License revenues paid to inventors are generally taxable and are reported as Form 1099 income. Consult a tax advisor for specific advice.
### Royalty Share Policy

**Invention-related income is allocated according to the following formula:**

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>33 1/3 %</td>
<td>To the inventor(s) as personal income (multiple inventors share the income)</td>
</tr>
<tr>
<td>33 1/3 %</td>
<td>To be further subdivided as follows:</td>
</tr>
<tr>
<td>*50%</td>
<td>To the inventor(s)’ research program to be administered through an account set up by OSP. (This allocation is only available to inventor(s) having an active research program at the university)</td>
</tr>
<tr>
<td>*30%</td>
<td>To the inventor(s)’ primary academic unit (department) or other administrative unit to be administered by the Director or Department Head</td>
</tr>
<tr>
<td>*20%</td>
<td>To the inventor(s)’ school or college to be administered by the Dean</td>
</tr>
<tr>
<td>33 1/3 %</td>
<td>To the University of Connecticut</td>
</tr>
</tbody>
</table>

* Inventors must have an active research program (in their name) at UConn.

References: Connecticut General Statutes, Sec. 10a-110c. (Formerly Sec. 10-127). Employees to share in proceeds. The Income Formula was developed in 1988 by the University-Corporate Relations Policy Advisory Committee.

### Additional Information for Inventors

Please refer back to sections of this Guide or visit the OED website for further information:


- Submitting Invention Disclosure Forms
- Various University Policies
- License Back Policy
Office of Economic Development

Programs Explained

Technology Partnerships and Licensing (TPL) Group

The TPL group is responsible for the identification, evaluation, protection, marketing and licensing of UConn and the UConn Health Center’s inventions in the engineering, life, and physical science areas. The TPL group can provide you with general information on patents, other types of intellectual property protection as well as UConn’s patent policy. The office oversees the filing of the patent applications and finding potential commercial partners after evaluating your invention for its commercial potential.

The PTL group is staffed by those who have extensive prior experience as academic researchers and as scientists/managers in the chemical, biotechnology, pharmaceutical or electrical engineering industries. It contributes to UConn’s overall mission by:

- Promoting public benefit from the commercialization of technologies emerging from UConn research, including the creation of new businesses
- Encouraging active collaboration between UConn and industry.
- Generating funds to support UConn’s research programs and to reward its innovative inventors.

TPL coordinates all patenting, invention evaluation and commercial development activities, including those of outside organizations such as: selected law firms, which assist with patenting UConn inventions, selected consultants and commercial partners. TPL also negotiates options and license agreements with large and small companies for the development and commercialization of University of Connecticut technologies. More information can be found at: http://innovation.uconn.edu.

UConn Ventures

UConn Ventures is a for-profit subsidiary of the UConn Foundation that initiates new business startups based on innovative technologies developed by faculty and staff. UConn Ventures staff evaluates technology from all UConn campuses. Once an invention or technology is identified and reviewed, UConn Ventures determines whether or not to proceed with the formation of a new business. Assessments are based on several criteria, including market characteristics, applications of the technology, its ability to be protected and the state of its development. When a decision is made to form a new business and is approved by the Board of Directors, the staff prepares a business plan and begins the process of recruiting management and seeking capital to fund the company. UConn Ventures encourages faculty interest and participation at all stages in the technology development process.
The UConn Ventures Process
The general process for the selection of potential technologies includes a review of inventions based on specific criteria, such as:

- There is a significant (at least $300 million) market; however, sometimes exceptions are made.
- The technology can be adequately protected through patents, copyright or trademark to create barriers that make market entry difficult for competitors.
- The technology is scalable.
- The estimate of the net present value of the return (less the costs of getting the business going) is much greater than the value that can be obtained by executing a typical license with an existing company.

Through meetings with the inventors, discussions with outside experts and rigorous due diligence by the UConn Ventures staff, the following additional criteria is considered:

- Is a prototype/proof of concept available?
- Do the inventors have a reasonable understanding of what is required to build a business, and what their roles may be?
- Does the business model have a visible path to profitability?
- Are the initial management and financing needs reasonably clear?

UConn Ventures Business Plans
UConn Ventures staff drafts a preliminary business plan and form a company (NewCo.). The staff also works with the inventor(s) to obtain pre-seed or seed funding. UConn Ventures staff is actively involved in the early stages of the company and work with their network of professionals to find initial management, space and other critical elements. In some cases, the staff may take on interim management roles to facilitate the accomplishments of key milestones.

UConn Ventures also helps NewCo. management draft a solid business plan. Much of the data gathered in the due diligence process described earlier is incorporated at this stage. This business plan is used as the roadmap for the company’s further development and in meeting with venture capital firms or angel investors to obtain funding. UConn Ventures staff remains actively involved with the company and the Board to find the appropriate and best liquidity opportunity, and then assist, as needed, in planning for and completing the liquidity event. More information can be found at: http://innovation.uconn.edu.
UConn tech transfer programs, such as the TPL group and UConn Ventures, are focused primarily on patenting researchers’ inventions and building companies based on those patents. This is tech transfer from UConn to the external community. However, a common concern is the inability for external entrepreneurs and businesses to find collaborators within a university or to identify resources that will help them advance their technologies and business interests. Many opportunities to create mutually beneficial projects between university researchers and regional tech entrepreneurs are missed because of this inability to efficiently connect.

The TEP program, a U.S. Economic Development Administration University Center program, was designed to address these issues. The TEP office has two key functions. First, it serves in a liaison role. External businesses and entrepreneurs are invited to contact the TEP staff and discuss their initiatives, needs, goals and objectives. The TEP works with these clients to understand the key issues and to determine if there are opportunities to develop mutually beneficial working relationships and projects. Second, the TEP office establishes projects, typically with student employee support, that help clients advance their businesses toward commercial success. These projects are selected to align with UConn research interests, such that as early-stage companies achieve success, they are well positioned to strengthen their collaborations with UConn researchers. These projects are also selected based on the ability to generate positive economic development outcomes in the region. Typical engagements include market research projects on behalf of small firms who are applying for SBIR grants that, if successful, will lead to opportunities to engage UConn researchers and their graduate students on larger development programs.

UConn faculty who are interested in reaching out to small technology businesses in the state are encouraged to contact the TEP.

TEP resources for small technology businesses include:

- Faculty consultants
- Information about scientific research
- Specialized equipment
- Product development resources
- Qualified student employees
- Incubation space and services
- Collaboration on grant proposals

The TEP serves to create effective collaborations and projects, supporting regional tech business growth and advancing UConn’s tech transfer capacity. If you are interested in learning more, please call 860-486-1353, or find more at:

The Technology Incubation Program (TIP)

TIP allows new companies, which have a technology linkage or synergistic relationship with UConn, the ability to locate on campus and access resources that could be otherwise unattainable for a fledgling company. TIP supports the incubation process offering lab and office facilities, business support and planning resources, access to TEP experts, expensive instrumentation and specialized TEP equipment. With facilities at Storrs, Avery Point and Farmington, the TIP is home to a variety of young companies. In some cases TIP clients are working with UConn technology and others have their own intellectual property.

TIP Basic Services

The TIP lease agreement includes a description of the property, rent, and services such as utilities, shipping, etc. Incubating companies are required to conform with all state and federal requirements relating to hazardous waste removal, environmental health and safety, radiation safety, and animal health and welfare. UConn provides monitoring and training in these areas.

TIP Library and Computer Network

UConn Libraries form the largest public research collection in the state. The collection contains: 2.6 million volumes, 6,000 print periodicals, 41,000 electronic journals, 2.8 million units of microform, 35,000 reference sources, and 200,000 maps. It also includes sound and video recordings, musical scores and a growing array of electronic resources.

TIP Equipment/Instrumentation

Some of the departments and faculty have large and expensive specialized items of equipment. The TIP program helps negotiate agreements between the relevant faculty and the company, given that time is available on the instrument and client employees have been properly trained.

TIP Business Support

Through a network of service providers and advisors, the TIP offers access to a variety of business consultants and expertise including accountants and lawyers to help with issues important to startup companies. Internally, the TIP can support business plan development. TIP organizes events to promote collaboration among faculty and company scientists, to provide access to experienced entrepreneurs and entrepreneurial resources and to assist through connections with advisors and mentors. Through the School of Business, the TIP can arrange access to knowledgeable faculty and students who can provide advice to emerging companies.

For more information, please visit:
http://innovation.uconn.edu
The UConn Technology Park
Covering many acres and supplying many facilities, the UConn Technology Park is offering innovative, flexible spaces; equipment that is unmatched regionally; and a network of support. It is a place where existing industry, researchers, faculty and advanced students work side-by-side to advance innovation in Connecticut. The first building – the Innovation Partnership Building – will be completed in 2015. Its focus? Advanced manufacturing, materials, cyber-infrastructure, pharmaceuticals, biotechnology and related fields. For more information, please see:

Bioscience Connecticut
This initiative was put in place by the state of Connecticut and is being brought to its fuller capacity through the University of Connecticut. A partnership with Jackson Labs, which will locate at the University of Connecticut Health Center, will capitalize on the Center as an economic development asset. The focus is on advancing personalized medicine; and the investment in this arena begins in 2013 and continues for the next 20 years.
REINVESTMENT AND RELATIONSHIPS

The revenues received are shared with inventors and among UConn departments. Revenues going to UConn entities are reinvested in additional research and education, thus fostering the creation of the next generation of research, researchers and entrepreneurs.

Our new technology transferred to industry enhances industrial competitiveness, brings new products and therapies to the public, and further creates economic development and new jobs through our start-up companies.

In addition, the creation and deepening of company relationships through these activities support UConn’s missions. They result in additional research projects, broader educational opportunities and collaborative investments, and an enhanced ability to create, retain and share valuable resources that contribute to our mission.

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