



OPERATIONAL GUIDELINE FOR TECH TRANSFER

In acknowledgment of and pursuant to California State University San Marcos's Intellectual Property Policy LATAC 279-04 (the CSUSM "IP Policy"), dated October 18, 2012, this memo is intended to establish and serve as an operational guideline for the administration of Intellectual Property ("IP") and technology transfer at CSUSM. This includes but is not limited to determination of ownership, assignment, patent protection, licensing, marketing, maintenance of records, oversight of revenue or equity collection and distribution, approval of individual exceptions, and resolution of disputes among creators and/or unit executive officers, collectively ("IP Administration").

Responsibility for the development and administration of operational guidelines and procedures for IP Administration has been delegated by the University President and University Provost to the Dean of the Office of Graduate Studies and Research ("OGSR") pursuant to §VII(L) of the IP Policy. The Dean of OGSR may further delegate as reasonably necessary. Where administrative gaps in the IP Policy are identified, this operational guideline may be used to establish administrative gap fillers as reasonably necessary to ensure effective IP Administration. For clarity, these guidelines are intended to operationalize the CSUSM IP Policy and as such, are subject to periodic revision. These guidelines and any subsequent revisions shall be, established in consultation with the University Intellectual Property Committee. A copy of the Delegation of Authority is attached hereto as Exhibit-A.

I. Determination of Ownership Interest

The CSUSM IP Policy sets forth a framework for determination of the ownership interests of the University and Creator(s) in Intellectual Property. This determination follows a comprehensive disclosure by the Creator(s) and an assessment of ownership pursuant to criteria provided in the IP Policy by the University.

To promote consistent application and administration of this process, the Dean of OGSR shall be responsible for the following:

1. Development and administration of a comprehensive Disclosure Document ("DD") to be completed by Creators in accordance with the IP Policy. The DD shall provide for a full and complete description of the subject matter of the discovery or development and identify all persons participating in the creation of the property. The Dean of OGSR may submit requests for such additional information from the Creator as may be reasonably required to apply the IP Policy and make determinations of ownership.
2. Following review of applicable DD's, the Dean of OGSR shall organize and engage in a meet and confer process with the Creator(s) to establish preliminary findings regarding the University's ownership interest in accordance with the IP Policy. Disputes regarding ownership that cannot be resolved via the meet and confer process shall be referred to the University Provost for resolution.
3. Upon conclusion of the meet and confer process (*or in the event of a dispute regarding ownership, resolution by the University Provost*), the Dean of OGSR shall prepare a preliminary determination of the University's ownership interest in the IP, subject to final approval by the University Provost.



4. Upon concurrence by the University Provost, the Dean of OGSR shall prepare a final written statement of determination as to the University's ownership interest. A copy of the final written statement of determination of the University's ownership interest shall be provided to the Creator(s). The final written statement of determination shall stipulate that if the University determines to pursue patent prosecution of the IP, a subsequent written determination will be made regarding "Inventorship", as Inventorship is a legal determination and is solely based on filed and issued patent claims. Therefore, while one or more individuals may be identified as a Creator during the University's review and determination of ownership pursuant to the IP Policy, Inventorship is subject to change during patent prosecution.
5. As provided in the IP Policy, University employees who are identified as Creators of IP shall be required to execute i) an appropriate assignment and/or other legal instrument required to perfect University ownership rights, and ii) an attestation statement providing that to the best of their knowledge the intellectual property does not infringe on any existing patent, copyright or other legal rights of third parties; that if the work is not the original expression or creation of the creators, the necessary permission for use has been obtained from the owner; and that the work contains no libelous material nor material that invades the privacy of others.
6. Should the University decide to abandon development or protection of University owned intellectual property, ownership shall be assigned to the Creator(s) as allowed by law and current University practice, subject to the rights of sponsors and to the retention of a license to practice for University purposes.

II. Determination Regarding Patent Protection & Intent to Commercialize

The University is not obligated to protect the IP rights of the work through acts such as filing for patent protection, registering for copyright, or securing plant variety certification, but may do so at its discretion. The Dean of OGSR shall be responsible for making final determinations regarding protection, commercialization and/or disposition of intellectual property. Determinations shall be made based on application of industry standard practices and may, but shall not be required to, include one or more of the following criteria: (Note the following is not intended to be an exhaustive list)

- Recommendation of CSUSM IP Committee and/or Applicable Sub-Committee(s)
- Recommendation of the Associate Vice President for Industry Partnerships
- Market Analysis / Recommendation of 3rd Party IP Valuation Firms (i.e. Tremonti)
- Applicable State & Federal Law (i.e. Bayh-Dole Act of 1980)
- Consultation of College Dean
- Patentability
- Novelty of IP
- Estimated Cost to Prosecute Patent and Negotiate License(s)
- Creator Input and Interest in Commercialization
- Social and Societal Benefit Analysis



An initial determination not to pursue patent protection and/or commercialization of the intellectual property shall not be dispositive. The University reserves the right, without limitation, to i) reevaluate and redetermine ownership and seek patent protection and/or commercialization of the intellectual property at a later time, especially if information not disclosed earlier to the University is disclosed or discovered, ii) pursue commercialization and/or disposition of intellectual property in the absence of patent protection, iii) abandon the property and assign ownership to the Creator(s) as allowed by law and current University practice, subject to the rights of sponsors and to the retention of a license to practice for University purposes, or iv) any other such disposition as determined by the Dean of OGSR to be in the best interest of the University. Following analysis, the Dean of OGSR shall inform the Creator(s) of its substantive decisions regarding protection, commercialization and/or disposition of IP which they have disclosed. However, specific terms of agreements with external parties may be proprietary business information and subject to confidentiality restrictions.

III. Patent Prosecution

Where an affirmative determination is made to seek patent protection of IP, the same shall be carried out by the CSUSM Corporation pursuant to its authority under 5 CCR § 42500 "Functions of Auxiliary Organizations", §2(8) "Primary Functions of the Auxiliary", within the Operating Agreement between CSUSM and the CSUSM Corporation, and the Technology Transfer Supplemental Operating Agreement between CSUSM and the CSUSM Corporation.

To facilitate commercialization and/or disposition of IP, all patents shall be issued in the name of the CSUSM Corporation. The following procedures shall apply:

1. University and Corporation shall execute a memorandum of understanding specific to the applicable IP memorializing intent to prosecute patent pursuant to applicable operating agreements between CSUSM and the CSUSM Corporation regarding technology transfer.
2. The Dean of OGSR, in collaboration with the Associate Vice President for Industry Partnerships shall facilitate completion of the following agreements:
 - i. University-Contributor Intellectual Property Agreement
 - ii. Inventor/University Distribution Agreement for Net Revenues from Intellectual Property

**Per CSUSM Intellectual Property Policy and consistent with provisions within the Disclosure Form, once the Inventor(s) is/are legally determined, the Inventor's share of "net income" received by CSUSM from commercialization of intellectual property is divided equally among all Inventors unless each-and-every Inventor agrees in writing to a different distribution of the Inventor's share. Creators who wish to enter a sharing arrangement for the Inventor's share that is different from that provided under university policies will be asked to submit an inquiry to IPC@csusm.edu.*

3. The Corporation, in collaboration with the Associate Vice President for Industry Partnerships, shall retain qualified counsel to prepare and submit filings with the USPTO. It shall be the primary responsibility of the Associate Vice President for Industry Partnerships to manage



outside counsel, and with input from the Dean of OGSR, Creator(s), and other subject matter experts as applicable, direct the angle of patent prosecution, throughout the patent prosecution process. The Executive Director of the Corporation shall retain final contracting authority.

4. The Associate Vice President for Industry Partnerships shall provide regular status reports to the Dean of OGSR, Corporation Executive Director, the IP Committee, and Creator(s), regarding the status of pending patent applications.
5. The Dean of OGSR shall maintain a written record of all patent information in a manner consistent with guidance from the CSU Chancellors Office.

IV. Commercialization & Licensing

IP Policy §VII(F) provides in pertinent part that the University may, at its discretion and consistent with the public interest, license IP on an exclusive or non-exclusive basis.

Pursuant to 5 CCR §42500 “Functions of Auxiliary Organizations” and §2(8) “Primary Functions of the Auxiliary”, within the Operating Agreement between CSUSM and the CSUSM Corporation, the CSUSM Corporation is authorized to provide technology transfer services to the University including:

- *Commercializing such Auxiliary-owned technology developed by the campus.*
- *Assisting start-up companies based upon campus inventions.*
- *Securing, executing, and administering agreements with respect to intellectual property.*

Consistent with the authority provided above, the following shall serve as the basic operational framework for commercialization and/or disposition of IP:

1. Reporting to the Dean of OGSR, the Associate Vice President for Industry Partnerships shall serve as the chief technology transfer officer responsible for the effective administration and management of the technology transfer program.
2. As the designated entity holding legal ownership of the IP (for the benefit of the University), the CSUSM Corporation shall serve as the official contracting entity responsible for securing, executing, and administering agreements with respect to intellectual property. As a distinct legal entity from the University, the Executive Director of the Corporation shall retain final contracting authority. The Corporation shall collect and distribute revenues received in accordance with the IP Policy and as further detailed in the Technology Transfer Supplemental Operating Agreement between CSUSM and the CSUSM Corporation as may be amended from time-to-time.
3. With assistance of qualified counsel, together with input from University Counsel, the Associate Vice President for Industry Partnerships, Dean of OGSR, and Executive Director of the CSUSM Corporation, shall collaborate to develop and maintain standard IP licensing documents to be utilized for the purposes of commercializing IP to industry partners.



4. The Associate Vice President for Industry Partnerships, in collaboration with the Dean of OGSR, shall be responsible for marketing strategies to identify, attract, and pursue, industry partnerships for the purposes of commercialization of IP.
5. Determinations regarding IP value, including but not limited to, financial terms, exchange of value, and/or other non-monetary consideration, shall be made in collaboration with the Dean of OGSR, Associate Vice President for Industry Partnerships, Creator, and other subject matter experts as applicable. Disputes regarding IP value shall be resolved via an informal conference between the Dean of OGSR and Creator(s). Disputes which cannot be resolved via informal conference shall be referred to the University Provost for further action.
6. With assistance of qualified counsel, the Associate Vice President for Industry Partnerships shall be responsible for the negotiation of IP agreement terms consistent with the IP Policy. Final IP Agreements shall be signed by the Executive Director of the CSUSM Corporation with concurrence from the Associate Vice President for Industry Partnerships and Dean of OGSR.
7. The Associate Vice President for Industry Partnerships shall serve as the primary point of contact for all pre and post license related issues.
8. The Associate Vice President for Industry Partnerships, in collaboration with the Dean of OGSR shall serve as the primary liaison to the University, responsible for education, training, outreach, and direct communications with the Creator(s) regarding commercialization and/or disposition of IP.
9. In the event a conflict of interest arises in connection with commercialization of IP, such conflict shall be referred to the IP Committee for development of an appropriate COI Management Plan.

V. Oversight & Dispute Resolution

The Dean of OGSR shall maintain responsibility for oversight of revenue or equity collection and distribution, approval of individual exceptions, and resolution of disputes among Creators and/or unit executive officers. In the event a dispute arises, the Dean of OGSR shall engage in a deliberative process with the Creator(s) and/or unit executive officers and make a fact base determination in consideration of the totality of the circumstances. Disputes which cannot be resolved by the Dean of OGSR shall be referred to the University Provost for further action.