



Louisiana State University System

3810 West Lakeshore Drive
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Office of the President

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SUBJECT: Technology Transfer -- PM-16

The purpose of PM-16 is to provide information on the technology transfer process. The Board of Supervisors of Louisiana State University and A&M College holds all right, title, and interest to all intellectual property (new ideas, inventions, discoveries, etc.) discovered by a full or part time LSU System employee. This exclusive right of ownership is extensive and applies to intellectual properties related to the field of study and assigned responsibilities of the employee, regardless of the place or the time of day or day of the week that the discovery is made and applies even if the employee is on leave at the time of the discovery. In consideration for exclusive ownership right, the Board of Supervisors' policy currently provides one of the most progressive incentive plans in the country. The employee/inventor generally receives 40% of the distributable royalties regardless of whether this is cash or stock.

There are three steps in the technology transfer process: disclosure, protection and licensure.

- I. **DISCLOSURE:** The technology transfer process begins with the disclosure of the invention or software creation. Disclosure forms are available from the System Office of Technology Transfer or from the campus technology transfer office. A sample form illustrating the minimum amount of required information is provided in Appendix 1 of this memorandum. The inventor should complete the form and forward it to the campus technology transfer office or the System Office of Technology Transfer, whichever is appropriate.
- II. **PROTECTION:** Protection of the invention is the second step. The invention will be evaluated and placed in one of the following categories:
 1. Patentable
 2. Not patentable, but may be commercialized through license under know how.
 3. Copyright protected

Prior to seeking protection, it is necessary to determine if the economic return from the discovery will be sufficient to offset the costs of patenting or other associated costs of licensing. A sample evaluation form is included as Appendix 2. The patenting of inventions and processes will be handled by either the campus based technology transfer office or the System Office where appropriate. In most cases, the University will pursue the prosecution of the patent, but with System approval, an independent entity may be used.



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III. LICENSURE: During the protection process of an invention, the third stage of technology transfer begins: the licensing of the technology to appropriate potential users. The System or campus Office of Technology Transfer will try to identify potential licensees. Preference will be given to Louisiana firms or to firms seeking to locate in Louisiana.

CONFIDENTIAL INFORMATION AND MATERIALS.

Any disclosure of information concerning the invention to non-university employees or organizations requires a signed confidentiality agreement prior to the dissemination of information. A sample confidentiality form is included as Appendix 3. In a like manner, University employees should only accept confidential information and materials from outside entities after completing and signing a similar document. The University employee should read a proposed confidentiality agreement very carefully because of the liability one assumes when receiving confidential information which may have economic value (See Appendix 4 for further information). The release of biological materials such as plasmids, bacterial strains, new plant or animal cell lines to investigators outside the University should be preceded by the completion of a biological materials use agreement. (See Appendix 5.)

Transfer of University technology to the private sector is the primary goal of every license negotiation. A secondary goal is to utilize the income from the licenses to further the educational and research goals of the University. The draft license must be reviewed by the University legal counsel prior to being submitted to the campus and System Office of Technology Transfer for review and approval. Adequate indemnification of the University is a key element of any license. PM-67 governs cases where the inventor holds interest in the company that is going to license the technology. Administrators dealing with the license should be very careful to assure that the inventor of the technology is not in any way involved in the negotiation or approval process, as their involvement may violate the State Ethics law.

Allen A. Copping
President