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Understanding and Balancing Stakeholder Interests in Commercializing Academic Technologies

This document identifies a set of principles to distinguish the legitimate expectations of the primary stakeholders in the technology commercialization process:

- Inventors –faculty, staff, postdoctoral fellows and graduate students in both their personal and institutional capacities;
- The institution, acting through the technology licensing office (“TLO”);
- The public.

These principles codify a body of experience that has been developed at different institutions over many years and adoption of these principles will facilitate the smooth operation of the technology commercialization process.

The principles are designed for institutions where, whether by law, policy or employment agreement, the institution owns the intellectual property generated by its faculty and students. The principles are, of course, subordinate to the policies and collective bargaining agreements of individual institutions, and to applicable state and national laws.

The principles only address issues that are within the purview of the TLO. For instance, most institutions will require faculty involvement in the drafting of the institution’s intellectual property policies, and membership of the institution’s patent committees. These issues are not addressed in the principles because they will be established by institutional policies and procedures.

There may be situations where the inventors of a technology have an independent personal financial interest in a transaction pertaining to it, such as by a shareholding in a spin-out company or a consulting relationship with a licensee, so that the institution’s interests and the inventors’ interests may not be aligned.

Reasonable Expectations of Inventors:

1. Academic Mission. The TLO should understand and accept that teaching, research and publishing research results are of paramount importance, and will not ask faculty to unreasonably delay publication of research results in the interests of commercialization. However, on request, the TLO should advise inventors how proposed publications will impact intellectual property rights and how proposed publications could be modified to avoid negative impacts on intellectual property rights.
2. Inclusiveness. The TLO should seek and take into account the opinions and academic interests of the inventors when developing commercialization strategies for their inventions. Inventors should be kept informed of the progress of discussions with potential commercialization partners and, prior to execution of any agreement, inventors should be allowed to review and comment on those aspects of the agreement(s) that affect the inventors’ academic interests.

3. Equal Access. All inventors, irrespective of standing within the institution, should be treated equally by the TLO in the management of their respective academic interests in their inventions. The TLO should be particularly vigilant with respect to the interests of junior inventors such as graduate students and trainees.
4. Operational Transparency. The TLO should provide inventors with a reasonable opportunity to meet with the TLO staff to review records associated with their inventions.
5. Responsiveness. Inventors should be afforded timely handling and decision-making with respect to their inventions. The results of invention and patent assessments, commercialization strategies and correspondence concerning patent applications should be timely shared and discussed with inventors.
6. Return of Rights. If the TLO declines or discontinues commercialization efforts for an invention and the inventors wish to continue to pursue commercialization at their own expense, the TLO should be prepared to give access to the necessary rights to do so.
7. Procedural Transparency. The institution should publish its policies, practices and procedures pertaining to its commercialization activities.

Reasonable Expectations of the TLO:

1. Full and Timely Disclosure. Inventors should disclose to the TLO all inventions as required by their individual institutional policies and sponsor requirements¹. The disclosure should contain a complete description of the invention (include manuscripts, public presentations, data and other materials that disclose or teach the invention) and should be made well in advance of public disclosure in order to allow for the protection of patent rights.
2. Continued Development. Inventors should keep the TLO informed of ongoing developments and improvements of their inventions, including any proof of concept data they obtain.
3. Inventorship and Sharing. The inventors should use their best efforts to identify all the individuals who have contributed to the conception of an invention, and in the event that the contributions of the inventors are substantially unequal, agree upon an equitable apportionment of inventors' share of any income from the invention.
4. Assistance in the Patenting Process. If a patent application is filed on a disclosure, the inventors should cooperate fully and timely with the TLO and the patent attorney in providing data and information, reviewing drafts, and executing all required formal documents, and provide timely comment and review of correspondence with the patent office.
5. Engagement in the Marketing Process. Inventors should inform the TLO of companies with whom they have had contact or otherwise believe may be interested in commercializing their inventions, as well as any useful contacts they have in any of these companies. Upon request, inventors should promptly provide the TLO with technical data and other information relative to their invention, meet with the interested parties, and be engaged with the TLO in the marketing process.
6. Balancing Interests. Inventors should be sensitive to the institutional and public interests at stake in the commercialization process and equitably balance them with their personal interests.

¹ In the United States, faculty are required to disclose all inventions made with federal funding

Reasonable Expectations of the Public:

1. Stewardship. The institution and its employees are stewards of the public interest. In general, the public interest is served if the public has the opportunity to benefit from the results of academic research through the availability of new products and services resulting therefrom.
2. Financial Interest. The institution has a responsibility to the public to ensure that the institution is reasonably compensated for the use of its intellectual property so that it can further support its public mission.
3. Transactional Transparency. The institution should be prepared to freely disclose, upon request, the licensing status of each invention, and if licensed, the type of license conveyed and, generally, when possible the identity of the licensee.
4. Policy Transparency. The institution should publicly state its mission pertaining to technology commercialization, and describe its practices and procedures pertaining to the commercialization processes.