

## Frequently Asked Questions

### General

- [When should I contact your office?](#)
- [Can you file a patent for me?](#)
- [When is the right time to file a patent?](#)
- [Am I obligated to disclose my inventions to your office?](#)
- [What if I just want to publish my discovery, or distribute my software Open Source?](#)
- [Will the process in any way inhibit my research?](#)
- [What is the likelihood of commercial success?](#)
- [How long does it take most university technologies to become a product?](#)
- [Who owns my inventions?](#)

### Intellectual Property

- [What are Patents?](#)
- [What are Copyrights?](#)
- [What are Trademarks?](#)
- [What is the role of the inventor in the patenting process?](#)
- [What else should inventors know about the patenting process?](#)

### Licensing and Revenue

- [How are revenues shared with inventors?](#)
- [How does the University of Chicago's revenue sharing policy compare with other universities?](#)
- [What is the role of the inventor in the marketing and licensing process?](#)
- [What if I want to form a start-up company?](#)

### TCL and Technology Transfer

- [Why do academic technology transfer offices exist?](#)
  - [In addition to handling invention disclosures and licensing agreements with industry what else does TCL do?](#)
  - [How are responsibilities divided between TCL and University Research Administration?](#)
  - [What about Material Transfer Agreements and how are they handled?](#)
  - [Where can I find more information on invention and entrepreneurship?](#)
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# General

## **When should I contact your office?**

In general, as soon as you think you may have an innovative idea or invention, at whatever stage, please contact a member of the TCL Project Management Team. A project manager will work with you to determine next steps. In those cases when we determine that it is appropriate to file a patent application, the more advance notice we have about upcoming publications and presentations, the smoother the process, and the lower the chance of losing the ability to secure a patent. To start the process, [contact us](#), and/or download and complete an [Invention Disclosure Form](#), and email or return it to Technology Commercialization and Licensing, 1452 E. 53rd Street, Chicago, IL 60615, tel 773-702-1692, fax 773-702-0741. Any member of our staff can assist should you have questions.

## **Can you file a patent for me?**

Yes, when appropriate. The decision of whether or not to patent depends on many factors. TCL evaluates the commercial potential of each invention. For example, does the invention fulfill a significant unmet need? What are the challenges associated with bringing the product or service to the marketplace? How “encumbered” is the invention (meaning for instance, that due to the terms of the research sponsorship or of the materials used, there may be limited freedom to commercialize)? What is the value of the invention in the marketplace? Is intellectual property protection necessary to incentivize a party to bring the product or service to market, and if so, is there potential to secure such protection?

## **When is the right time to file a patent?**

This can vary and depends on a number of factors, including whether enough data currently exists to meet the threshold for a patent to be awarded (note that the standard is often lower than it is for publication), and what, if any, public presentations or publications on the work have occurred or are planned.

## **Am I obligated to disclose my inventions to your office?**

If researchers, staff, or students come up with an invention in the course of their work at the University, and/or with the substantial aid of its facilities and/or funds administered by it, they are obligated to disclose the invention to the University. (See [Statute 18](#) of the University of Chicago, and the [Student Manual](#).) This obligation serves the University’s mission of bringing the benefits of its research to the public, as commercial channels may be the most efficient dissemination mechanism for certain types of technologies. Also, federal grants typically require that inventions made using federal funds be disclosed to the University and reported to the government. (More information is available at the [NIH’s iEdison](#) page.) Other research sponsors typically impose similar conditions.

## **What if I just want to publish my discovery, or distribute my software Open Source?**

Although there is an obligation to disclose inventions to our office (see above), simply publishing is the best way to disseminate the vast majority of work done at the University. TCL exists to help investigators with those projects that may benefit from a commercial partner. In some cases, obtaining intellectual property protection is necessary to incentivize a partner to commercially develop the technology. If you are unsure about a particular situation, feel free to [contact us](#). For those writing software, we can also advise on the various types of Open Source licenses.

## **Will the process in any way inhibit my research?**

No. All our licenses reserve rights for research purposes and protect the right to publish freely. Although the inventor plays a central role in the preparation of a patent application, all other activities, including continued patent prosecution and licensing, are handled by the University. All costs of the commercialization process are borne by the University.

## **What is the likelihood of commercial success?**

While blockbuster success is rare, there are reasonable chances of modest success. In a typical year, TCL may currently receive close to 100 invention disclosures, file 50 new patent applications, execute between 10 and 20 new license agreements, and collect and distribute about \$3m in royalties and other revenue.

## **How long does it take most university technologies to become a product?**

Most university technologies are early stage, and will not come to fruition in product form or be widely accepted in the marketplace for 5, 10, sometimes 15 years.

## **Who owns my inventions?**

Under [Statute 18](#) of the University of Chicago Statutes, the University owns inventions, including [“device-like” software](#) software, made in the course of work at the University, and/or with the substantial aid of its facilities and/or funds administered by it. If there is doubt about ownership of an invention, the inventors must raise the question with TCL at the time a disclosure is submitted and receive a written decision concerning the University's interests. Faculty, students, and employees who feel that such a decision is incorrect (i.e., that their patentable inventions or software should be exempt from the University policies) may present a case to the Faculty Committee on Patents, Software, and Intellectual Property. This committee is convened as required by the [Office of Research, Innovation and National Laboratories](#).

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# Intellectual Property

Patents, copyrights, trademarks, domain names, and trade secrets are all legal methods of protecting different forms of intellectual property. The rights granted to the owners are specific and enforceable. The commercialization process involves contractually licensing these legal rights, in whole or in part, exclusively or non-exclusively, and with various conditions attached, to commercialization partners, in return for various lump sum and royalty payments.

The mechanics of obtaining and enforcing intellectual property are a significant part of the expertise of TCL and its service providers (including internal and external attorneys), and a significant part of the office's expenses.

## What are Patents?

Patents protect new, non-obvious, and useful inventions. In exchange for disclosing the invention to the public (through the publication of the patent), the government grants the patent owner the right to exclude others from the manufacture, use, or sale of the invention for twenty years. A typical U.S. patent can cost \$25,000 or more, and take three to four years to obtain. Obtaining rights in foreign countries can cost significantly more. More information can be found at the [United States Patent Office](#), the [Lemelson-MIT Program's Inventor's Handbook](#), [The Council on Governmental Relations](#), (COGR is an association of research universities, founded in 1948), and, especially for searching patents, at the [Library's patent page](#).

## What are Copyrights?

Copyrights protect the specific expression of ideas rather than the ideas themselves. In the University context, copyright might be used to protect educational materials, artistic works, or computer software. Copyright gives the holder the exclusive right to, among other things, reproduce the work, prepare derivative works, distribute copies, and perform the work publicly (for those works that can be performed). See the [United States Copyright Office](#) for general information and the [University of Chicago Copyright Policy for Faculty and Other Academic Appointees](#) for more information about the University's treatment of copyright ownership.

If you have questions about managing the copyrights for a project with many potential authors, especially if non-University contractors are used, [contact us](#), or the [Office of Legal Counsel](#). We recommend setting expectations early in the process.

If you have questions about using the material of others, please see the [Library's Copyright Information Center](#).

## What are Trademarks?

Trademarks are words or symbols used by their owners to identify goods or services distinctively. For example, "University of Chicago" is a University-owned trademark registered with the United States Patent and Trademark Office. The owner of a trademark has the exclusive

right to use the mark in connection with specified goods and services. In a University context, trademarks may be used to protect the name of educational materials or software already well recognized in a non-profit context, when a for-profit start-up is being formed.

### **What is the role of the inventor in the patenting process?**

Throughout the process, the more available and engaged the inventor is, the stronger and more valuable the resulting patent. Although both TCL staff and the external patent attorneys we employ have technical backgrounds, the inventors are needed to review drafts of the patent application for accuracy and relevance. Ultimately, when a U.S. patent application is filed, each inventor must sign a legal statement stating that he or she believes that the inventors listed are “the original and first inventor(s) of the subject matter which is claimed” in the application.

Once a U.S. patent application is filed, it usually takes 2-4 years to obtain an issued patent. During that period, occasional communications or “office actions” may be received from the patent office, which require responses. Often assistance from the inventors is typically required for a few hours each time to help the patent attorney respond.

### **What else should inventors know about the patenting process?**

First, please [contact us](#) well in advance of publicly disclosing an invention. Our goal is to assist with intellectual property protection without affecting your publication schedule. The more notice you give us, the better job we can do.

If your invention is published prior to the filing of a patent, you lose the right to patent in most countries outside of the U.S., and may lose rights in the U.S. as well, depending on the details of what was published. Importantly, “published” in this context means any public disclosure that would enable one skilled in the art to reproduce your invention. This could be via your web page, Internet publication of an abstract, an oral or poster presentation at a conference, or even at a meeting of your colleagues to which attendance is not restricted. Depending on the importance of your invention, this loss of rights may constitute a serious loss of value. If you have any questions about a particular situation, please do not hesitate to contact TCL in advance of a possible disclosure.

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## **Licensing and Revenue**

### **How are revenues shared with inventors?**

For patented inventions or inventions on which a patent is pending: 25% of revenues (e.g., royalties, license fees, stock sales) are paid to inventors. If there is more than one inventor, the revenue is split equally among them unless they agree to an alternative arrangement. In addition,

10% of revenues are paid to the inventors' lab(s), 5% to their department(s) and 5% to their division(s).

For non-patented inventions (for example, certain software or tangible materials): researchers contributing to non-patented inventions, software and materials may elect to not receive a personal share at all, and instead direct 85% of the gross revenues to a University research account, up to a cumulative gross revenue of \$50,000. The remainder of the revenues covers the expenses of Technology Commercialization and Licensing at the Polsky Center. More details are available in the [Revenue Sharing Policy document \(PDF\)](#).

### **How does the University of Chicago's revenue sharing policy compare with other universities?**

The University's policy is competitive. Note that revenue sharing arrangements at other institutions vary in their structure (e.g., differing deductions from gross revenue, or the use of different percentages at different revenue tiers).

### **What is the role of the inventor in the marketing and licensing process?**

Often, a researcher's technology is licensed to a company that has a preexisting relationship (formal or informal) with the researcher. When this is not true, in some cases the researcher is in the best position to suggest a list of potential commercialization partners. If and when a partner is identified, TCL will keep the investigator informed as the licensing process proceeds.

### **What if I want to form a start-up company?**

Start-up companies can be effective vehicles for raising money to develop a technology and its markets. Our office can work with start-ups based on University intellectual property, whether created by internal or external entrepreneurs. The University often accepts equity in the form of stock or warrants from a start-up as part of the consideration for licensing intellectual property or assisting in its formation. The University's founding equity stake depends on several factors, including its degree of involvement (for example, with business planning, money raising, finding management, supporting patent costs or providing research funds), the number of other co-founders in a start-up, how far along the development path the technology is, and other terms of the license agreement. In situations where the University has provided only an arms-length license to early-stage technology, five percent of the founder's equity immediately prior to the first financing, in lieu of an upfront cash payment, has been common. In cases where our office has been much more involved, the founder's stake has been as high as fifty percent. The [Equity Policy](#) (PDF) details how the University manages founder's equity and distributes the proceeds from liquidated equity holdings within the University.

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## **TCL and Technology Transfer**

## Why do academic technology transfer offices exist?

The technology transfer office is a resource to assist faculty with:

- Disseminating technology through commercial mechanisms;
- Enhancing research through interactions with the private sector;
- Providing a broader understanding of the commercialization process;
- Supporting laboratory activities through sponsored research or license income; and
- Providing an outlet for entrepreneurial activities.

Through these activities, the benefits of the University's research are brought to the public; the institution's reputation as a leading research and teaching university is enhanced; the recruitment and retention of world-class faculty is aided; and University's financial resources are enhanced. Additional tutorials and FAQs on intellectual property and the relationship between technology transfer and universities can be found at the [Council on Governmental Relations \(COGR\)](#) website and the [Association of University Technology Managers \(AUTM\)](#) website.

## In addition to handling invention disclosures and licensing agreements with industry what else does Technology Commercialization and Licensing at the Polsky Center do?

- Facilitates entrepreneurial activity on campus through programs such as the [Innovation Fund](#)
- Provides faculty direct access to expert advice through sponsorship of [Chicago Innovation Mentors](#) program and its Executive-in-Residence program
- Provides business support for selected faculty start-up companies
- Negotiates [tangible property licensing \(antibodies, transgenic mice, cell lines, etc.\)](#)
- Negotiates outgoing Material Transfer Agreements (MTAs) with companies
- Negotiates nondisclosure agreements with companies
- Works with [University Research Administration](#) to negotiate intellectual property provisions for grants, clinical trial agreements, sponsored research agreements, MTAs with academic institutions and incoming MTAs with for-profit entities
- Conducts seminars on intellectual property in the academic setting

## How are responsibilities divided between TCL and University Research Administration?

### Technology Commercialization and Licensing

TCL manages the intellectual property rights of the University and is responsible for the negotiation of or assistance with:

- License Agreements
- Option Agreements
- Outgoing Materials Transfer Agreements to for-profit entities
- New Company Formation
- Inventor Split Agreements

- Confidentiality Agreements (associated with inventions disclosed to TCL)
- Inter-institutional Agreements (license revenue sharing between institutions)
- Intellectual Property Release Agreement to Inventors

### **University Research Administration**

[University Research Administration](#) (URA) oversees all research activities on campus and is responsible for the negotiation of or assistance with:

- Sponsored Research Agreements
- All Material Transfer Agreements except those outgoing to for-profit entities
- Software Transfer Agreements
- Clinical Studies Agreements
- Research Subcontracts
- Confidentiality Agreements (associated with non-invention related research)
- All conflict-of-interest matters

### **What about Material Transfer Agreements and how are they handled?**

A Material Transfer Agreement (MTA) is a legal agreement entered into by a provider and a recipient of research material. The sharing of research products (including, for example, software, cell lines, transgenic animals, monoclonal antibodies) is critical to continuing progress in science, and it is the University's intention to facilitate the exchange of material among researchers at different institutions. Such material may have commercial value. To protect this value, and the interests of all parties involved, these transfers are managed by means of a Material Transfer Agreement (which may also be called a Research License). This protects the rights of the different parties with regard to publication, freedom of research, confidentiality, and intellectual property.

TCL handles outgoing MTAs from the University of Chicago to industry, whether or not the Material is being sent for money or for no charge. It is up to the researcher to decide whether or not to charge a fee.

[University Research Administration](#) (URA) handles all other MTAs, including those between academic institutions, and incoming material from industry to the University of Chicago.

If a fee is charged for a material being sent to industry, under [University policy](#) (PDF), contributors to the material may elect to not receive a personal share of the fee, and instead direct 85% of the gross revenues to their research. See [How are revenues shared with inventors?](#) Downloadable materials, or information about biological materials, may be posted on [UChicagoTech's iBridge Network](#) website. The site may be used for e-commerce (e.g., credit card transactions) for University-owned materials.

### **Where can I find more information on invention and entrepreneurship?**

See, for starters:

- [The Council on Governmental Relations](#) (COGR is an association of research universities, founded in 1948)
- [The Venture Hacks blog](#), and its [bookstore](#).
- [MIT 15.975 Special Seminar in Management The Nuts and Bolts of Business Plans](#)  
(Course material available via MIT OpenCourseWare.)