
Statement on Intellectual Property

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The statement that follows, prepared by a subcommittee of the Association's Committee A on Academic Freedom and Tenure, was approved by Committee A and adopted by the Association's Council in November 2013.

The management of inventions, patents, and other forms of intellectual property in a university setting warrants special guidance because it bears on so many aspects of the university's core missions, values, and functions, including academic freedom, scholarship, research, shared governance, and the transmission and use of academic knowledge by the broader society. Intellectual property refers broadly to patents, copyrights, trademarks, and (according to some definitions) trade secrets, in addition to the underlying subject matter that is controlled by the owner of these property rights established by statute (namely, inventions, works of authorship, and identifiers that distinguish goods and services in the marketplace). Patents provide the owner with the right to exclude others from practicing—making, using, and selling—an invention.¹ A patent, unlike a copyright, goes beyond the protection of written expression to accord an exclusive right to the operational principles that underlie the invention. Copyright prohibits unauthorized copying or modification of particular instances of expression; a patent permits the exclusion of work created independently, is not limited to the precise “expression,” and has no “fair use” exception, even for nonprofit purposes. Thus, patents may have an additional and potentially substantial impact on university research, may affect the value and role of scholarly publication, and may influence collaborations and the transfer of technology developed or improved in other research settings. The management of university-generated intellectual property is complex and carries significant consequences for those involved in direct negotiations (faculty inventors,

companies, university administrators, attorneys, and invention-management agents) as well as those who may be affected (competing companies, the public, patients, and the wider research community).

Whether ownership of a particular invention resides with the inventors or is assigned by the inventors to a university technology-transfer office, a university-affiliated foundation, or an independent invention-management agency, it is essential that all those involved recognize the distinctive role that inventions arising out of scholarly research should have. Faculty investigators and inventors, together with university administrators, must communicate this role and hold those involved accountable when they are engaged in the development and deployment of patent rights.

One fundamental principle should be clear: inventions are owned initially by their inventors. That principle is established in both the US Constitution and federal patent law. As the US Supreme Court affirmed in its 2011 decision in *Board of Trustees of Leland Stanford Junior University v. Roche Molecular Systems, Inc. (Stanford v. Roche)*, faculty inventors in a university setting are also the initial owners of their inventions. Ownership of patent rights that may attach to an invention, however, may be transferred to another party by a written instrument. Thus, control of patent rights may be distinguished from ownership, since the initial patent owner may choose to enter a contract with (or transfer title to) another entity that manages those patent rights on his or her behalf. A university may become the owner of patent rights in a faculty invention by voluntary assignment, as was the case at most universities prior to 1980.

1. “Practicing an invention” first of all means taking the concept and giving it material embodiment, a key step in its manufacture.

Some universities have sought to make their ownership of all faculty patent rights a condition of employment, citing the use of university facilities as a justification for asserting their ownership. Some also insist that externally funded research contracts specify that the university will manage all the resulting intellectual property. Though these strategies are increasingly preferred by many universities, there is little to indicate that such ownership claims advance university interests, whether taken narrowly as the pursuit of income from patent licenses or broadly in terms of the social value of research and access to its results. The 2011 *Stanford v. Roche* ruling affirmed that such rationales for the nonvoluntary confiscation of faculty intellectual property are often unfounded.

For many years university policies recognized that faculty members owned their intellectual property but required that they share profits with the institution when patentable intellectual property was commercialized. The AAUP regards such policies as fair and reasonable, so long as the faculty inventor or creator determines whether and how the work is to be marketed. Faculty members should have the right to distribute some work—software being a common example—for free if they choose.

Universities have often distinguished between copy-rightable and patentable intellectual property, ceding faculty ownership of the former and asserting institutional ownership of the latter. But both are products of scholarship and protected by academic freedom, which provides for control by faculty authors over dissemination of their works.

A fundamental problem that arises from university ownership of patent rights to faculty inventions is that it tends to create institutional conflicts of interest between the university's governance role and its financial and competitive interests in exploiting patented inventions for its own benefit. It is all too easy for universities to conflate royalty income with their public service mission to enhance economic growth while failing to perceive, or to acknowledge, the conflict that arises with respect to other institutional responsibilities and the university's long-standing commitment to the broad dissemination of knowledge.

Inventions—despite distinctions often drawn in university policy statements—are a natural outgrowth of scholarly activities. The scholarly nature of university-based inventions does not simply disappear with the addition of a potential patent or other intellectual property rights. Thus, the fundamental rights of faculty members to direct and control their own

research do not terminate when they make an invention or other research discovery; these rights properly extend to decisions involving invention management, intellectual property licensing, commercialization, dissemination, and public use. Faculty inventor “assignment” of an invention to a management agent, including the university that hosted the underlying research, should be voluntary and negotiated, rather than mandatory, unless federal statutes or previous sponsored-research agreements dictate otherwise.² Faculty inventors and investigators retain a vital interest in the disposition of their research inventions and discoveries and should, therefore, retain rights to negotiate the terms of their disposition. The university, or its management agents, should not undertake intellectual property development or take legal actions that directly or indirectly affect a faculty member's research, inventions, instruction, or public service without the faculty member's or inventor's express consent. Of course, faculty members, like other campus researchers, may voluntarily undertake specific projects, including online courses, under explicit and signed work-for-hire contracts. When such work-for-hire agreements are truly voluntary, their contracted terms may legitimately narrow faculty intellectual property rights.

Faculty members have a collective interest in how university inventions derived from academic research are managed. Through shared governance, they also have a responsibility to participate in the design of university protocols that set the norms, standards, and expectations under which faculty discoveries and inventions will be distributed, licensed, and commercialized. The faculty senate, or an equivalent governing body, should play a primary role in defining the policies and public-interest commitments that will guide university-wide management of inventions and other knowledge assets stemming from campus-based research. These management protocols should devote special attention to the academic and public-interest obligations traditionally central to the university mission. Governing bodies should also consider the formation of a specially assigned faculty committee to review the university's invention-management practices regularly, represent the interests of faculty

2. The term *invention-management agent*, as used in this statement, covers all persons tasked with handling university-generated inventions and related intellectual property, including, for example, university technology-transfer offices, affiliated research foundations, contract invention-management agents, and legal consultants.

investigators and inventors to the campus as a whole, and make recommendations for reform when necessary.

Standards should be set for the handling of faculty intellectual property rights in the design and subsequent use of instructional materials, including online courses. Course syllabi at many institutions are considered public documents; indeed, they may be posted on universally accessible websites. It is thus to be expected that teachers everywhere will learn from one another's syllabi and that syllabi will be disseminated as part of the free exchange of academic knowledge. Faculty lectures or original audiovisual materials, however, unless specifically and voluntarily created as works made for hire, constitute faculty intellectual property. As components of faculty-designed online courses, they cannot be revised, edited, supplemented, or incorporated into courses taught by others without the consent of the original creator. Nor can an online course as a whole be assigned to another instructor without the consent of the faculty member who created the course, unless, once again, the faculty member agreed to treat the course as a work made for hire with such ownership rights residing in the institution. Faculty governing bodies have a special—and increasing—responsibility to ensure that faculty members are not pressured to sign work-for-hire agreements against their will.

Just as the right to control research and instruction is integral to academic freedom, so too are the rights of faculty members to control the disposition of their research inventions. Inventions made in the context of university work are the results of scholarship. University policies should direct all invention-management agents to represent and protect the expressed interests of faculty inventors along with the interests of the institution and the broader public. Where the interests diverge irreconcilably, the faculty senate, or an equivalent governing body, should adjudicate the dispute with the aim of selecting a course of action that promotes the greatest benefit for the research in question, the broader academic community, and the public good. Students and academic professionals should also have access to grievance procedures if they believe their inventor rights or other intellectual property rights have been violated. Students should never be urged or required to surrender their intellectual property rights (for example, in their dissertations) in advance to the university as a condition of participating in a degree program. ■