

The Inventor's Guide to Technology Transfer at Syracuse University

This guide is organized to answer the most common questions the Office of Technology Transfer typically fields from the Syracuse University research community and provides a broad overview of the technology transfer process and services available for faculty, researchers, staff and student-staff. For more information, visit the [Office of Technology Transfer](#) at [Lyman Hall](#) or call (315) 443-5196.

I. OVERVIEW: TECHNOLOGY TRANSFER IN GENERAL

1) What is technology transfer?

- a) For the purposes of this guide, technology transfer refers to the formal licensing of technology to third parties under the guidance of professionals employed by universities, research foundations, and businesses. A more elaborative explanation is that, in general, technology transfer is the transfer of knowledge and discoveries to the public. It can occur through publications, educating students entering the workforce, exchanges at conferences, and relationships with industry, among other things.

2) How is technology transferred?

- a) Technology is typically transferred through a license agreement in which the University grants its rights in the defined technology to a third party for a period of time, often limited to a particular field of use and/or region of the world. The licensee (the third party licensing the technology) may be an established company or a new business start-up.
- b) Licenses are contracts that include terms requiring the licensee to meet certain performance requirements and to make financial payments (some of which are royalties) to Syracuse University. After the legal and marketing costs associated with the licensed technology have been recouped, significant portions of royalties are shared with the inventor(s) and/or department(s). Other portions of royalties received are used to provide support for further research, education, and participation in the technology transfer process.

3) What is the Bayh-Dole Act?

- a) The U.S. Bayh-Dole Act of 1980 allows universities and other non-profit institutions to have ownership rights to discoveries resulting

from federally funded research, provided certain obligations are met. These obligations include:

- i) Making efforts to protect (when appropriate) and commercialize the discoveries
 - ii) Submitting progress reports to the funding agency
 - iii) Giving preference to small businesses that demonstrate sufficient capability, and
 - iv) Sharing any resulting revenues with the inventors.
- b) The purpose for enacting and applying the Bayh-Dole Act is to stimulate interest in technology transfer activities; generate increased research, commercialization and educational opportunities; and promote economic development in the United States.

II. THE TECH TRANSFER PROCESS AT SYRACUSE UNIVERSITY

1) What is the Office of Technology Transfer (OTT)?

- a) The Office of Technology Transfer is composed of generalists skilled in licensing, business development, and legal matters. OTT staff are experienced in transferring technologies from the physical sciences, life sciences, and information and computer sciences and more. We are responsible for managing Invention Disclosures from all schools, colleges and administrative departments at Syracuse University. OTT interacts with other Syracuse University offices and departments relative to matters of intellectual property, technology transfer and industrial development, including The Office of Research, the Office of Sponsored Programs (a sister unit under The Office of Research), and the Office of Corporation & Foundation Relations.

2) Why would a researcher or other member of the SU community want to participate in the technology transfer process?

- a) The reasons are unique to each researcher and may include:
- i) Making a positive impact on society
 - ii) Feeling a sense of personal fulfillment
 - iii) Achieving recognition and financial rewards
 - iv) Generating additional lab/departmental funding
 - v) Meeting the obligations of a research contract
 - vi) Attracting research sponsors
 - vii) Creating educational opportunities for students
 - viii) Linking students to future job opportunities.

3) How do I work with the Syracuse University Office of Technology Transfer (OTT)?

- a) We encourage you to contact the OTT during your early research activities to be aware of the options that will best leverage the commercial potential of your research. OTT professionals are trained to assist you with questions related to marketability, patenting and other protection methods, new business start-up considerations, University policies and procedures, and much more.

4) What are the typical steps in the process?

- a) The process of technology transfer is summarized in the following steps. Steps may vary in sequence and often occur simultaneously. Generally speaking, the steps can be categorized as:
 - i) Research Step
 - ii) Pre-Disclosure Step
 - iii) Invention Disclosure Step
 - iv) Assessment Step
 - v) OTT Decision Step
 - vi) Protection Step
 - vii) Marketing Step
 - viii) Identifying a Potential Licensee Step
 - ix) License Negotiation and Execution Step
 - x) Commercialization Step
 - xi) Revenue Step

The OTT strives to provide innovators with initial feedback on new invention reports received within a few weeks. The OTT also strives to determine and communicate the appropriate “next steps” within two months from the finalized invention report. University holidays and green days may cause timelines to be slightly extended.

- b) Please refer to the Quick Start Guide. Additional content that expands upon the information provided in the Quick Start Guide will be added in the upcoming months.

5) How long does the tech transfer process take?

- a) The process of protecting the technology takes years and finding the right licensing partner often also takes years to complete. The amount of time will depend on the development stage of the technology, the market for the technology, competing technologies, the amount of

work needed to bring a new concept to market-ready status, and the resources and willingness of the licensees and the inventors.

III. RESEARCH CONSIDERATIONS

1) Will I be able to publish the results of my research and still protect the commercial value of my intellectual property?

- a) Yes, but since patent rights may be affected by these activities, it is best to submit an Invention Disclosure (discussed in the next section) before communicating or disclosing your invention to people outside of your research team. There are significant differences between the U.S. and other countries as to how early publication affects a potential patent. Once publicly disclosed (this includes not only writing—other forms of oral presentation or informal presentations may count as well), an invention may have restricted or minimal potential for patent protection outside of the United States. Be sure to inform OTT of any imminent or prior presentation, lecture, poster, abstract, website description, research proposal submission, dissertation or master's thesis, publication, or other public presentation that mentions the invention.

IV. OWNERSHIP OF INTELLECTUAL PROPERTY

1) What is “intellectual property”?

- a) Intellectual property is inventions and/or material that may be protected under patent, trademark and/or copyright laws, and sometimes by contract. Some intellectual property is best protected by treating the invention as a trade secret.

2) What is Syracuse University's policy on ownership of inventions?

- a) The annotated version of the [Syracuse University Faculty Manual Section \(3.23\) on Ownership and Management of Intellectual Property](#) outlines the current policy.

3) Who owns what I create?

- a) Ownership depends largely upon the employment status of the invention's creators and their use of University facilities. Considerations include:
 - i) What is the source of the funds or resources used to produce the invention?
 - ii) What was the employment status of the creators at the time the intellectual property was made?

iii) What are the terms of any agreement(s) related to the creation of the intellectual property?

b) As a general rule, the University owns inventions made by its employees while acting within the scope of their employment or using University resources. The University's [copyright policy](#) describes the applicable rules for copyrightable works other than software. In some cases, the terms of a Sponsored Research Agreement or Materials Transfer Agreement may impact ownership. When in doubt, it is best to ask the OTT for advice.

4) Can a student contribute to an invention? Student Employees? RAs, etc.

a) This question is addressed in the following section.

V. SUBMITTING AN INVENTION DISCLOSURE TO SYRACUSE UNIVERSITY

1) How do I submit information on an invention/technology/innovation to the Office of Technology Transfer?

a) To officially inform Syracuse University of a new invention, complete the [invention disclosure form](#) via the interactive online invention disclosure portal, available from the OTT website. First time users will find the [User Guide](#) and [Offline Companion to the Online Invention Disclosure](#) helpful. The innovators should then print and sign the invention disclosure form and send the signed document via intercampus mail to the [OTT office](#).

b) Completion of an appropriately comprehensive invention disclosure form via the online portal begins the formal OTT intake process. A completed Invention Disclosure Form remains a confidential document at all times and should fully document your invention so that the options for patentability, commercialization and other critical factors can be evaluated.

TIMING: WHILE IT IS CERTAINLY POSSIBLE TO BOTH PUBLISH AND PURSUE PATENT PROTECTION, IT TAKES A LEVEL OF CARE AND AWARENESS BETWEEN THE RESEARCHER AND THE OTT. AS SUCH, WHENEVER POSSIBLE, PLEASE ALLOW TWO MONTHS BETWEEN

COMPLETING AN INVENTION DISCLOSURE AND PRESENTATIONS OR PUBLISHING. IF YOUR PRESENTATION, PAPER OR GRANT APPLICATION IS DUE SOONER, WE WILL MAKE EVERY EFFORT TO EXPEDITE OUR PROCESS. PLEASE CALL 315-443-5196 IF YOU FIND YOURSELF IN THIS SITUATION.

UNIQUE APPROACHES: ALL UNIVERSITIES HAVE DIFFERENT APPROACHES TO HOW THEY HANDLE INVENTION DISCLOSURES AS RELATES TO WHICH TECHNOLOGIES ARE ULTIMATELY FILED AS PATENT APPLICATIONS AND WHEN.

INVENTION DISCLOSURES RECEIVED BY SYRACUSE UNIVERSITY ARE NOT AUTOMATICALLY FILED AS PATENT APPLICATIONS WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE (USPTO). IN OTHER WORDS, FILING AN INVENTION DISCLOSURE WITH SYRACUSE UNIVERSITY OTT DOES NOT RESULT IN INSTANT OR AUTOMATIC PATENT PROTECTION.

2) Should I list visiting scientists or scientists at other institutions on my invention disclosure?

- a) All contributors to the ideas leading to a discovery should be mentioned in your disclosure, even if they are not Syracuse University employees. The OTT, along with legal counsel, will determine the rights of such persons and institutions. It is prudent to discuss with the OTT all working relationships (preferably before they begin) to understand the implications for any subsequent inventions.

3) Can a student contribute to an invention? Student Employees? RAs, etc.

- a) Yes, many students work on inventions at Syracuse University under a wide variety of circumstances. Syracuse University promotes student innovation, and students can be named as inventors under Syracuse University Technology Transfer Policy. Typically, a student will own his or her rights to an invention unless either a) the student's contribution(s) was made while he or she was acting as a student employee, or b) the student used more than incidental Syracuse University resources.

VI. ASSESSMENT OF AN INVENTION DISCLOSURE

1) How does Syracuse University assess Invention Disclosures?

- a) The OTT team in conjunction with outside patent experts examines each Invention Disclosure Form to review the novelty, utility, and non-obviousness¹ of the invention, protectability and marketability of potential products or services, relationship to related intellectual property, size and growth potential of the relevant market, amount of time and money required for further development, pre-existing rights associated with the intellectual property (IP), and potential competition from other products or technologies.

2) What considerations relate to the use of “open source” relative to its presence in code otherwise developed by Syracuse University and also whether to commercialize or license 100% original code in the “open source” model?

- a) Various units and individuals at Syracuse University wish to formalize policy, and offer education and guidance on these two topics and related ones. Participation in this dialogue by members of the developer community is welcome. To become involved in a university-wide discussion on this topic, please contact the Office of Technology Transfer.

3) Is an invention ever assigned to an Inventor?

- a) If the OTT decides not to pursue patent protection and/or chooses not to actively market the invention, the University may transfer ownership to the inventor(s). Reassignment of inventions funded from U.S. government sources requires the government’s prior approval.

VII. PATENTS AND OTHER LEGAL PROTECTION

1) What is a patent?

- a) In the U.S., a patent gives the holder the right to exclude others from making, using, selling, offering to sell, and importing the patented invention. Importantly, a patent does not necessarily provide the holder any affirmative right to practice a technology since it may fall under a broader patent owned by others. Instead, it provides the right to exclude others from practicing the invention. Patent claims are the legal definition of an inventor’s protectable invention.

¹ Demonstrating non-obviousness is the most challenging and complex element standing between a patent applicant and the ability to secure meaningful patent protection.

2) What type of subject matter can be patented?

- a) Patentable subject matter includes processes, machines, compositions of matter, articles, some computer programs, and methods (including methods of making compositions, methods of making articles, and sometimes even methods of performing business).

3) Can someone patent a naturally occurring substance?

- a) Generally, no. A natural substance that has never before been isolated or known may be patentable in some instances, but only in its isolated form (since the isolated form had never been known before). A variation of a naturally occurring substance may be patentable if an inventor is able to demonstrate substantial non-obvious² modifications that offer advantages of using the variant.

4) What is the United States Patent and Trademark Office (USPTO)?

- a) The USPTO is the federal agency, organized under the Department of Commerce, that administers patents on behalf of the government. The USPTO employs patent examiners skilled in all technical fields in order to appraise patent applications. The USPTO also issues federal trademark registrations.

5) What is the definition of an inventor on a patent, and, who determines this?

- a) Under U.S. law, an inventor is a person who takes part in the conception of the ideas in the patent claims of a patent application. Thus, inventorship of a patent application may change as the patent claims are changed during prosecution of the application. An employer or person who only furnishes money to build or practice an invention is not an inventor. Inventorship is a legal issue and may require an intricate legal determination by the patent attorney prosecuting the application.

6) Who is responsible for patenting?

- a) The OTT at Syracuse University contracts with a network of outside patent counsel for IP protection, thus allowing for access to patent specialists in diverse technology areas. Inventors seek assistance from OTT employees, who in turn represent the inventors during the patent process and in meetings with patent counsel. The patent process includes, but is not limited to, drafting the patent applications and responses to worldwide patent offices. OTT staff and in-house`

² As noted earlier, demonstrating non-obviousness is the most challenging and complex element standing between a patent applicant and the ability to secure meaningful patent protection.

attorneys will help with the selection and oversight of the outside patent counsel.

7) What is the patenting process?

- a) The following is a very abbreviated description. To learn more, view the slide program titled [Basic Patent Training for Independent Inventors and Small Businesses](#) on the USPTO's website. Patent applications are most often drafted by a patent attorney or a patent agent (a non-attorney with a science education licensed to practice by the USPTO). The OTT generally will ask you to review an application before it is filed and will also ask you questions about inventorship of the application claims. At the time an application is filed, the patent attorney will ask the inventor(s) to sign an Inventor's Declaration and an Assignment, which evidences the inventor's duty to assign the patent to the University.
- b) U.S. Utility patent applications holds patent applications confidential until such time that the USPTO publishes the application. Generally, applications will be published by the USPTO 18 months after the earliest filing date (which is often 18 months from the filing date of the corresponding provisional patent application). Publication occurs earlier if the patent application was preceded by both a provisional and a utility application.
- c) In about 20-24 months or longer, depending on the technology, the patent attorney will receive written notice from the USPTO as to whether the application and its claims have been accepted in the form as filed. More often than not, the USPTO rejects the application because either certain formalities need to be cleared up, or the claims are not patentable over the "prior art" (anything that researchers or others in the field have made or publicly disclosed in the past). The letter sent by the USPTO is referred to as an Office Action or Official Action.
- d) If the application is rejected, the patent attorney must file a written response, usually within three to six months. Generally, the attorney may amend the claims and/or point out why the USPTO's position is incorrect. This procedure is referred to as patent prosecution. Often it will take two USPTO Official Actions and two responses by the patent attorney—and sometimes more—before the application is resolved. The resolution may take the form of a USPTO notice allowing the application; in other words, the USPTO agrees to issue a patent. During this process, input from the inventor(s) is often needed to

confirm the patent attorney understands of the technical aspects of the invention and the prior art cited against the application.

8) Is there such a thing as a provisional patent?

- a) No. However, there is a provisional patent application, which is described below.

9) What is the difference between a provisional patent application and a regular (or “utility”) patent application?

- a) In certain circumstances, U.S. provisional patent applications can provide a tool for preserving patent rights while temporarily reducing costs. This occurs because the application is not examined during the year in which it is pending and claims are not required. A regular U.S. application and related foreign applications must be filed within one year of the provisional form in order to receive its early filing date. However, an applicant only receives the benefit of the earlier filing date for material that is adequately described and enabled in the provisional application. As a result, OTT may arrange for the inventors and the patent attorney to correspond or converse when a provisional patent application is being prepared by the patent attorney.

10) What’s different about foreign patent protection?

- a) Foreign patent protection is subject to the laws of each individual country, although in a general sense the process works much the same as it does in the United States. In foreign countries, however, an inventor will lose any patent rights if he or she publicly discloses the invention prior to filing the patent application. In contrast, the United States has a one-year grace period.

11) Is there such a thing as an international patent?

- a) Although an international patent does not exist, an international agreement known as the Patent Cooperation Treaty (PCT) provides a streamlined filing procedure for most industrialized nations. For U.S. applicants, a PCT application is generally filed one year after the corresponding U.S. application (either provisional or regular) has been submitted. The PCT application must later be filed in the national patent office of any PCT-participating country in which the applicant wishes to seek patent protection, generally, within 30 months of the earliest claimed filing date.

12) What are the advantages of the PCT?

- a) The PCT provides two advantages. First, it delays the need to file costly foreign applications until the 30-month date, often after an applicant has the opportunity to further develop, evaluate and/or

market the invention for licensing. Second, the international preliminary examination often allows an applicant to simplify the patent prosecution process by having a single examiner speak to the patentability of the claims, which can save significant costs in prosecuting foreign patent applications.

- b) An important international treaty called the Paris Convention permits a patent application filed in a second country (or a PCT application) to claim the benefit of the filing date of an application filed in a first country. However, pursuant to this treaty, these so-called “convention applications” must be filed in foreign countries (or as a PCT) within one year of the first filing date of the U.S. application.

13) What is the timeline of the patenting process and resulting protection?

- a) Currently, the average U.S. utility patent application is pending for about 3-4 years, though inventors in the biotech and computer fields should plan to wait longer. Once a patent is issued, it is enforceable for 20 years from the initial filing of the application that resulted in the patent, assuming that PTO-mandated maintenance fees are paid.

14) Why does Syracuse University protect some intellectual property through patenting?

- a) Patent protection is often a requirement of a potential commercialization partner (licensee) because it can protect the commercial partner’s often sizable investment required to bring the technology to market. Due to the expense and the length of time required to obtain a patent, patent applications are not possible for all Syracuse University intellectual property. We carefully review the commercial potential for an invention before investing in the patent process. However, because the need for commencing a patent filing usually precedes finding a licensee, we look for creative and cost-effective ways to seek early protections for as many promising inventions as possible.

15) Who decides what gets protected?

- a) OTT and the inventor(s) consider relevant factors in making recommendations about filing patent applications. The OTT Director ultimately makes the final decision as to whether to file a patent application or seek another form of protection.

16) What does it cost to file for and obtain a patent?

- a) Filing a regular U.S. patent application may cost between \$10,000 and \$20,000. Obtaining an issued patent may require an additional

\$10,000 to \$15,000 for patent prosecution. Filing and obtaining issued patents in other countries may cost \$20,000 or more per country. Also, once a patent is issued in the U.S or in foreign countries, certain maintenance fees are required to keep the patent alive.

17) What if I created the invention with someone from another institution or company?

- a) If you created the invention under a sponsored research or consulting agreement with a company, OTT staff will need to review that contract to determine ownership and other rights associated with the contract and to determine the appropriate next steps.

- b) If your co-inventor(s) were employed by another academic institution, OTT staff will usually enter into an inter-institutional agreement (IIA) that provides for a) how the IP is jointly owned, b) which of the institutions will take the lead in protecting and licensing the invention, c) sharing of expenses associated with the patenting process and d) allocating any licensing revenues.

- c) If the technology is jointly owned with another company, OTT staff will work with the company to determine the appropriate patenting and licensing strategy.

18) Will the University initiate or continue patenting activity without an identified licensee?

- a) Often the University accepts the risk of filing a patent application before a licensee has been identified. After University rights have been licensed to a licensee, the licensee generally, pays the patenting expenses. At times we must decline further patent prosecution after a reasonable period of attempting to identify a licensee (or if it is determined that we cannot obtain reasonable claims from the USPTO).

19) What is a copyright and how is it useful?

- a) Copyright is a form of protection provided by the laws of the United States to the authors of "original works of authorship." This includes literary, dramatic, musical, artistic, and certain other intellectual works as well as computer software. This protection is available to both published and unpublished works. The Copyright Act generally, gives the owner of copyright the exclusive right to conduct and authorize various acts, including reproduction, public performance and making derivative works. Copyright protection is automatically secured when a work is fixed into a tangible medium such as a book, software code, video, etc. In some instances, the University registers copyrights with

the U.S. Copyright Office, but it generally does not do so until a commercial product is ready for manufacture.

20) What is a trademark or service mark and how is it useful?

- a) A trademark includes any word, name, symbol, device, or combination that is used in commerce to identify and distinguish the goods of one manufacturer or seller from those manufactured or sold by others, and also to indicate the source of the goods. In short, a trademark is a brand name. A service mark is any word, name, symbol, device, or combination that is used, or intended to be used, in commerce to identify and distinguish the services of one provider from those of others, and to indicate the source of the services.

21) What is trademark registration?

- a) Trademark registration is a procedure in which the United States Patent and Trademark Office (USPTO) provides a determination of rights based upon legitimate use of the mark. However, it is not necessary to register a trademark or service mark to prevent others from infringing upon the trademark. Trademarks generally become protected as soon as they are adopted by an organization and used in commerce, even before registration. With a federal trademark registration, the registrant is presumed to be entitled to use the trademark throughout the United States for the goods or services for which the trademark is registered.

VIII. MARKETING TO FIND A LICENSEE

1) How does Syracuse University Technology Transfer market my inventions?

- a) OTT staff uses many sources and strategies to identify potential licensees and market inventions. Sometimes existing relationships of the inventors, the OTT staff, and other researchers are useful in marketing an invention. Market research can assist in identifying prospective licensees. We also examine other complementary technologies and agreements to assist our efforts. We use our website to post inventions, leverage conferences and industry events, and make direct contacts. Faculty publications and presentations are often excellent marketing tools as well.

2) How are most licensees found?

- a) Studies have shown that 70% of licensees were already known to the inventors. Thus, research and consulting relationships are often a valuable source for licensees. Licensees are also identified through

existing relationships of the OTT staff. Our licensees often license more than one technology from the University. We attempt to broaden these relationships through contacts obtained from website posting inquiries, market research, industry events and the cultivation of existing licensing relationships.

3) How long does it take to find a potential licensee?

- a) It can take months and sometimes years to locate a potential licensee, depending on the attractiveness of the invention, its stage of development, competing technologies, and the size and intensity of the market. Most university inventions tend to be in the early stage in the development cycle and thus require substantial commercialization investment, making it difficult to attract a licensee.

4) How can I assist in marketing my invention?

- a) Your active involvement can dramatically improve the chances of matching an invention to an outside company. Your research and consulting relationships are often helpful in both identifying potential licensees and technology champions within companies. Once interested companies are identified, the inventor is the best person to describe the details of the invention and its technical advantages. The most successful technology transfer results are obtained when the inventor and OTT staff work as a team to market and sell the technology.

5) Can there be more than one licensee?

- a) Yes, an invention can be licensed to multiple licensees, either non-exclusively to several companies or exclusively to several companies, each for a unique field-of-use (application) or geography.

IX. LICENSES AND OTHER AGREEMENTS

1) What is a license?

- a) A license is a permission that the owner or controller of intellectual property grants to another party, usually under a license agreement. A license is a type of contract.

2) What is a license agreement?

- a) License agreements describe the rights and responsibilities related to the use and exploitation of intellectual property developed at the University. University license agreements usually stipulate that the licensee should diligently seek to bring the intellectual property into

commercial use for the public good and provide a reasonable return to the University.

3) How is a company chosen to be a licensee?

- a) A licensee is chosen based on its ability to commercialize the technology for the benefit of the general public. Sometimes an established company with experience in similar technologies and markets is the best choice. In other cases, the focus and intensity of a start-up company is a better option. It is rare for the University to have multiple potential licensees bidding on an invention.

4) What can I expect to gain if my IP is licensed?

- a) Per the [Syracuse University Faculty Manual Section \(3.23\) on Ownership and Management of Intellectual Property](#), a share of any financial return from a license is provided to the inventor(s).
- b) Most inventors enjoy the satisfaction of knowing their inventions are being deployed for the benefit of the general public. New and enhanced relationships with businesses are another outcome that can augment one's teaching, research and consulting. In some cases, additional sponsored research may result from the licensee.

5) What is the relationship between an inventor and a licensee, and how much of my time will it require?

- a) Many licensees require the active assistance of the inventor to facilitate their commercialization efforts, at least at the early stages of development. This can range from infrequent, informal contacts to a more formal consulting relationship. Working with a new business start-up can require substantially more time, depending on your role in or with the company and your continuing role within the University. Your participation with a start-up is governed by University conflict of interest policies and possibly the approval of your supervisor.

6) What other types of agreements and considerations apply to tech transfer?

- a) Non-Disclosure Agreements (NDAs) and other types of Confidentiality Agreements are often used to protect the confidentiality of an invention during evaluation by potential licensees. NDAs also protect proprietary information of third parties that University researchers need to review in order to conduct research or evaluate research opportunities. Syracuse University OTT enters into NDAs for University proprietary information shared with entities or individuals outside of the University.

- b) Material Transfer Agreements (MTAs) are used for incoming and outgoing materials at the University, and are administered either by OTT or the Syracuse University Office of Sponsored Programs. These agreements describe the terms under which University researchers and outside researchers may share materials, typically for research or evaluation purposes. Intellectual property rights can be endangered if materials are used without a proper MTA.
- c) Inter-Institutional Agreements (IIAs) describe the terms under which two or more institutions (generally two universities) will collaborate to assess, protect, market, license, and share in the revenues received from licensing jointly owned intellectual property. Jointly owned property usually arises from intra-institutional collaboration among researchers employed by 2 or more entities.
- d) Option Agreements, or Option Clauses within research agreements, describe the conditions under which the University preserves the opportunity for a third party to negotiate a license for intellectual property. Option clauses are often provided in a Sponsored Research Agreement to corporate research sponsors. Option Agreements are entered into with third parties wishing to evaluate the technology prior to entering into a full license agreement.
- e) Research Agreements, external support in the form of funding, may come from federal, state or local government; corporations; not-for-profits; and individuals. The combination of funding and the associated contractual terms are considered Research Agreements. These Agreements are generally under the jurisdiction of the Syracuse University Office of Sponsored Programs (OSP). OSP exists to facilitate the submission of proposals for external support of research, scholarship, education and training, and service/outreach activities. Funded projects have reporting requirements, and one of the common items addressed in reports to the sponsor relates to whether intellectual property was created during the course of the sponsored work. In those cases, OSP inquires about the creation of IP, but it is the Office of Technology Transfer that manages the prosecution and disposition of IP that has been created. For more information, visit the [OSP website](#) or call (315) 443-2807.

X. COMMERCIALIZATION

1) What activities occur during commercialization?

- a) Most licensees continue to develop an invention to enhance the technology, reduce risk, prove reliability, and satisfy the market requirements for adoption by customers. This can involve additional testing, prototyping for manufacturability, durability and integrity, and further development to improve performance and other characteristics. Documentation for training, installation and marketing is often created during this phase. Benchmarking tests are often required to demonstrate the product/service advantages and to position the product in the market.

2) What is my role during commercialization?

- a) Your role can vary depending on your interest and involvement, in the interest of the licensee in utilizing your services for various assignments, and any contractual obligations related to the license or any personal agreements.

3) What revenues are generated for the University if commercialization is successful? If commercialization is unsuccessful?

- a) Most licenses have licensing fees that can be very modest, such as in those cases where the technology is licensed to a start-up, or situations in which the value of the license is deemed to warrant a modest license fee. Some fees, however, can reach thousands of dollars. Royalties on the eventual sales of the licensed products can generate revenues, although this can take years to occur. Equity, if included in a license, can yield returns, but only if a successful equity liquidation event (public equity offering or a sale of the company) occurs. Most licenses do not yield substantial revenues.
- b) A recent study of licenses at U.S. universities demonstrated that only 1% of all licenses yield over \$1 million. However, the rewards of an invention reaching the market are often more significant than the financial considerations alone.

4) What will happen to my invention if the start-up company or licensee is unsuccessful in commercializing the technology? Can the invention be licensed to another entity?

- a) Licenses typically include performance milestones that, if unmet, can result in termination of the license. This termination allows for subsequent licensing to another business.

APPENDIX A

Other University Office Policies and relevant links for matters addressed in this publication:

1) CONSULTING

a) **Consulting Policy**

[Outside Professional Consulting by Non-Faculty Employees](#)

b) **Consulting by Faculty Employees**

[Faculty Manual](#) Sections:

3.40 [Outside Activities – Conflicts of Interest and Commitment](#)

3.42 [Consulting during the Academic Year](#)

3.43 [Consulting During the Summer](#)

c) **Relationships with United States Intelligence Agencies**

Faculty Manual Section:

3.46 [Relationships with U.S. Intelligence Agencies](#)

2) CONFLICT OF INTEREST

a) [Conflict of Interest and Commitment for Principal Investigators and Senior Personnel on Sponsored Programs](#)

b) [Conflict of Interest and Commitment for Faculty and Staff](#)

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