



Policy Type (choose one): **New** or Existing

Recommended By: Lenore VanderZee, VP for Strategic Relations & Communications – 1/26/2024

Effective Date: 1/1/2024

Last Review Date: 1/26/2024

Policy Contact: Executive Director, Research & Sponsored Programs

Contact Phone: (315) 386-7686

Royalty Distribution Policy

I. SCOPE

This policy applies to all royalties received from licensing of intellectual property and inventions created in whole or in part by SUNY Canton personnel using SUNY Canton facilities. The SUNY Patents, Inventions, and Copyright Policy (Patents Policy) and The Research Foundation for SUNY Distribution of Royalty Income Policy govern disposition of royalties.

This policy does not apply to royalties received from the publication of books, unless the works of authorship are associated exclusively with the deliverables of a sponsored program. In those instances, please consult with the Executive Director, Office of Research and Sponsored Programs for further guidance.

II. POLICY STATEMENT

Consistent with the SUNY Patents, Inventions, and Copyright Policy (Patent Policy), the College will reward faculty, staff, and students (as applicable) for the development of Intellectual Property.

This policy provides clarity as to how the College will: 1) distribute the inventor's share of royalty revenue resulting from the management and licensing of Intellectual Property, and 2) distribute the College's share of royalties.

III. POLICY

All net proceeds realized from the commercialization or other monetization of SUNY intellectual property and invention, after payment of the inventor's share, Royalty Income of the Patents Policy and other appropriate costs associated with the evaluation, marketing, development, protection, maintenance, or enforcement of intellectual property shall be used for the support of SUNY research programs in a manner consistent with the Bayh-Dale Act and its implementing regulations.

A. Inventor's Share

1. In recognition of interdisciplinary research where there is more than one inventor, each Inventor's Share is decided among the inventors and documented in an Inventor's Royalty Sharing Agreement*, drafted after the completion of the New

Technology Disclosure form*, which will be used for guidance. All inventors must sign the agreement.

2. For Intellectual Property (as defined in the Patent Policy) disclosed on or after November 23, 2016, there are no restrictions on the assignment or waiver of royalties by an inventor. Any assignment or waiver of royalties by an inventor must be recorded in written form and duly executed and attached as an addendum to the Inventor's Royalty Sharing Agreement.
3. Inventor royalty payments are made by check or wire transfer directly to the inventor at the address identified in the applicable Inventor's Royalty Sharing Agreement. It is the responsibility of the inventor to notify the Technology Transfer Office of an address change.
4. The inventor will continue to receive their share of royalties regardless of their SUNY Canton employment status. Royalty payments to deceased inventors are forwarded to the inventor's heir or legal recipient.

B. Inventor's Department Share (Department Chair)

1. The Inventor's Department Share must be used to support scientific research or education.
2. The Inventor's Department Share will continue regardless of inventor employment status.
3. The Inventor's Department Share remains with the original department when an inventor transfers to another department within the College.
4. In the case of multiple inventors, the department's distribution is proportional to the inventors' shares in the signed Inventor's Royalty Sharing Agreement.

C. Inventor's School Share (Dean)

1. The Inventor's School Share must be used to support scientific research or education.
2. The Inventor's School Share will continue regardless of inventor employment status.
3. The Inventor's School Share remains with the original school when an inventor transfers to another school within the College.

D. College's Share

The College Share is to be used to support scientific research or education.

This policy is subject to review and updates in the event of revisions to the Patent Policy or review by the campus.

Exceptions to this policy may be made in unusual circumstances or in instances where it is in the best interest of the inventor and the campus.

All revisions or exceptions to this policy will be brought before the President's Cabinet for approval.

IV. DEFINITIONS

Affiliate: For purposes of this Policy, affiliates include The Research Foundation for The State University of New York, all campus auxiliary service corporations, and all campus foundations.

Intellectual Property: Patentable inventions, tangible research materials, computer software, and any unique or novel innovations in the technical arts or any new and useful improvements thereof, including methods or processes for creating an object or result (a way of doing or making things), machines, devices, products of manufacture, product designs, or composition, compositions of matter, materials, and any know-how essential to the practice or enablement of such innovations and improvements, whether or not patentable.

Inventor: Any SUNY Canton personnel (faculty, staff, or student) who conceived, authored, reduced to practice, designed, developed, or otherwise contributed to the conception or creation of intellectual property. Inventor also includes any: a) non-affiliated individual who

works with SUNY Canton inventor and assigns the invention to SUNY or The Research Foundation; b) SUNY Canton inventor who later goes to work elsewhere.

Net Royalty: Royalties less reasonable out-of-pocket expenses incurred by SUNY Canton and not reimbursed by licensees for the evaluation, marketing, development, protection, maintenance, and enforcement of the subject intellectual property.

Patentable Invention: Any art or process (way of doing things), machine, manufacture, design or composition of matter, or any new and useful improvement thereof, which may be patentable under the patent laws of the United States or other relevant jurisdiction, and the patent applications or patents that embody them.

Personnel: Any full-time and part-time employees of SUNY and SUNY affiliates, student employees (including but not limited to, research assistants, teaching assistants, fellows, post-doctoral scholars, and students providing services under sponsor agreements), and other persons holding any paid appointment or position with SUNY.

Royalty: Cash, equity, or other value received by SUNY Canton as consideration for license of rights to SUNY Canton intellectual property.

Royalty Income: Gross royalties paid as proceeds from licensing of intellectual property disclosed.

Student: An individual taking courses at SUNY Canton, including but not limited to, continuing education, undergraduate, graduate, professional, non-degree, and not-for-credit.

Technology Transfer Office: The Research Foundation for SUNY at SUNY Canton.

V. OTHER RELATED INFORMATION
None

VI. PROCEDURES

ROYALTY DISPOSITION STRUCTURE

Distribution To	Percent of Distribution of Royalty Income from Licensing Intellectual Property or Inventions PRIOR to November 23, 2016	Percent Distribution of Net Royalty from Licensing Intellectual Property Disclosed ON or AFTER November 23, 2016	Requirements
Inventor(s)	40% gross	45% of the first \$100,000 of Net Royalty (as defined in the Patent Policy). 40% of all remaining Net Royalty in excess of \$100,000.	Distribution checks are made payable to the inventor unless the inventor directs Research Foundation otherwise in writing.
Inventor's Dept. (if applicable)	5% gross	5% of Net Royalty	Royalties received by the department must be used to support scientific research or education.
Inventor's School (if applicable)	5% gross	5% of Net Royalty	Royalties received by the school must be used to support scientific research or education.

Distribution To	Percent of Distribution of Royalty Income from Licensing Intellectual Property or Inventions PRIOR to November 23, 2016	Percent Distribution of Net Royalty from Licensing Intellectual Property Disclosed ON or AFTER November 23, 2016	Requirements
Office of the Provost	25% gross	25% of Net Royalty	Royalties received by the College must be used to support scientific research or education.
Office of Research & Sponsored Programs	25% gross	20% of the first \$100,000 of Net Royalty (as defined in the Patent Policy). 25% of all remaining Net Royalty in excess of \$100,000.	Royalties received by the College must be used to support scientific research or education.

RESPONSIBILITIES

Inventor

- Disclose intellectual property to the Technology Transfer Office (The Research Foundation for SUNY at SUNY Canton serves as the Technology Transfer Office for Canton) as soon as possible and whenever practical before publication, as required under the Patents Policy and in the case of federally funded research in accordance with 37 CR 401 of the Bayh-Dale Act.
- Work with the Technology Transfer Office and outside patent counsel to make applications for patents; complete assignments and other related documents are required.
- Sign and return New Technology Disclosure form to the Technology Transfer Office.
- Provide the Technology Transfer Office with accurate contact and information including a current address.

Department Chairs

- Notify the Technology Transfer Office of any agreement to divide the department share differently than the one documented in the Royalty Disposition Structure.
- Ensure all royalties received by the department are used to support scientific research or education.

Vice Presidents and Deans

- Notify the Technology Transfer Office of any agreement to divide the School share differently than the one documented in the Royalty Disposition Structure.
- Ensure all royalties received by the School are used to support scientific research or education.

Provost/Research

- Ensure all royalties received by the College are used to support scientific research or education.

Technology Transfer Office

- Conduct all operations necessary to manage, process, protect, license, and report intellectual property.
- Negotiate licenses to intellectual property rights.
- Prepare Inventor's Royalty Sharing Agreement, when applicable.
- Provide guidance regarding inventor sharing.
- Maintain inventor contact information, including current address.
- Administer the distribution of royalties.
- Distribute royalty payments.

- Maintain royalty accounts, including creation of new accounts and modifications to existing accounts.

VII. FORMS

None

VIII. AUTHORITY

Bayh-Dole Act (or the Patent and Trademark Law Amendments Act)
Bayh-Dole Regulations
Research Foundation Distribution of Royalty Income Policy
Research Foundation Intellectual Property Policy
State University of New York Patents, Inventions and Copyright Policy
State University of New York Computer Software Policy, Document 8101

IX. HISTORY

None

X. APPENDICES

None

XI. FREQUENCY OF REVIEW AND UPDATE

Policies will have a normal review period of every five (5) years unless required otherwise.

XII. SIGNATURE, TITLE, AND DATE OF APPROVAL

Policy Approver – Printed Name

Title

Policy Approver – Signature

Date of Approval