Campus License Income Distribution Plans for Unpatented Software and Publications Distributed as Apps

(approved by Vice Deans for Research & Faculty Senate 2010)

The UCSF Innovation Ventures – Office of Technology Management (OTM) is responsible for transferring and commercializing for public benefit the intellectual property (IP) UCSF personnel create which comprises both patentable and unpatentable subject matter. For software the OTM deems is best served by patenting, it will distribute the resulting license income according to the University of California Patent Policy (link). For unpatented software (**Section I**) and publications distributed as apps (**Section II**), the OTM will distribute license income as follows:

Section I. License Income Distribution Plan for Unpatented Software:

Option A: Default Case. Absent a written statement made to the OTM by all software developers that they wish to distribute income under Option B, the net income shall be distributed as follows:

i) 35% to developer(s) as personal (taxable) income
ii) 25% to developer's Department(s)
iii) 25% to developer's School(s). For those developers with no School affiliation, this portion will be distributed to the Chancellor's office.
iv) 15% to the OTM

Option B: If the software developer(s) has informed the OTM in writing of his/her desire to donate some or all of his/her personal income share to his/her lab, the net income shall instead be distributed as follows:

The Department and School (or Chancellor's Office for developers with no School affiliation) will match dollar-for-dollar from their shares the developer's donation to the lab that generated the software. In the limiting case in which the developer donates all personal income to the lab the distribution would be:

i) 70% to developer's lab
ii) 7.5% to developer's Department
iii) 7.5% to developer's School (or Chancellor's office for developers with no School affiliation)
iv) 15% to the OTM

Section II. License Income Distribution Plan for Publications Distributed as Apps:

The University of California's copyright policy provides that faculty who create independent scholarly works or instructional materials for the courses they teach own the copyrights in these original works of authorship. They may derive personal income from licensing or assigning their rights to a commercial publisher/distributor. Electronic publication/distribution in the form of an "app" requires writing software code to support distribution by this means. Faculty who write this code themselves or contract at their own expense with an external service-provider to write the code as a work-made-for-hire own

the rights in the work product and are responsible for commercializing it at their expense. In return, they keep 100% of any net income.

Alternatively, the author may partner with the campus-sponsored app software development unit at no cost to the author to develop the work of authorship as an app. In this instance, the rights in the app are jointly owned by the faculty author and the University of California because the author owns the copyrights in the independent scholarly work or teaching material content and UC owns the rights in the software code it developed for the app. Once the author has signed a letter agreement authorizing the OTM to act as his/her agent to commercialize his/her rights in the app, the OTM will license the rights for commercial distribution on behalf of the author and UC, and will distribute net income as follows:

a) 50% to the author(s) as personal (taxable) income, and 50% to the campus, with the campus share distributed as described below in (B). However, the author and the campus-sponsored app software development unit may alter this default 50/50 arrangement by submitting a signed agreement to the OTM authorizing a different split that better reflects the relative contributions of the author and the campus-sponsored app software development unit.

b) The OTM will distribute the campus share under Option B, above, in which the Developer is the campus-sponsored app software development unit. Thus:
    i) 85% to the campus-sponsored app software development unit
    ii) 15% to the OTM

In general, the OTM performs commercial technology assessments, evaluates the market and competitive landscapes, determines if the IP is encumbered by third party IP rights and obligations and, to the extent possible, secures the requisite licenses from those parties, designs technology transfer strategies, secures IP protection as warranted, markets the technology, negotiates licenses for the UCSF IP, administers the licenses over their lifetimes, monitors licensee compliance (which includes conducting financial audits), and distributes the income to the various stakeholders.