Computing Research Association

Conference at Snowbird 2000

Slides from a plenary session

on the topic of

"Impact of the Economic Development Imperative on Universities"

presented by

Randy Katz,
University of California, Berkeley

Monday July 10, 2000
1:30 pm

http://www.cra.org/Activities/snowbird/00/plenary2.html

Joint Academic/Industrial Workshop: Dealing with Intellectual Property Issues

Tuesday, 28 July 1998
10:30 - Noon

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Issues

- Industry becoming an increasingly important source of university funding
- Large-scale consortia research becoming the norm
- *Increasing activity of Faculty entrepreneurs: new conflicts of interest*
- Does existing university/departmental policies encourage or discourage this activity?
- Where does software fit within existing University copyright/patent policies?

CRA Workshop
9 December 1996

- "University Software Licensing, Patents, and Industrial Interaction"
- Faculty, Administrators, Licensing/Legal Professionals, Industrial Research Managers
- Focus on:
  - Research software
  - VIFs and Industrial Leave Faculty
- Goal: draft principles and guidelines

Observations from Berkeley

- Berkeley BSD Unix Experience
- Software Publishing Agreement
  - Copyright UC Regents, attribution requested
  - Unlimited use research & educational purposes
  - Commercial license for commercial exploitation
  - Retain unrestricted use rights for UC
- 1996-1997
  - $11 million/year in industry funded research in EECS
  - 25% of all research funding in EECS

Observations from Berkeley

- Most successful license in electronics within UC: switched capacitor filters, $2 million since *1980* (now expired)
- Berkeley OTL FY1997 (102 patents)
  - Gross Patents Income: $868K
  - Less Legal Expenses: $537K
  - Less Operating Expenses: $543K
  - Less Inventor/State Share: $248K
  - LOSS $460K
- $94K ($45K net income) from 10 software licenses

HP's Master Research Agreement

- Royalty-free license for inventions
  - Up to $10K for patent costs
  - First option on exclusive license, with credit for patent cost payments
  - Unrestricted use of software wholly generated in the research
  - Royalty-free use for internal evaluation purposes
  - HP visiting scientists able to work on campus

Breakout Groups

- How is Software Different? Bill Gear
- Who are the Players and What are Their Expectations? Peter Freeman
- What are the Underlying Principles of Intellectual Property Rights? Ed Lazowska
- What are the Special Issues of Consortium Agreements? Rich Adrion

Software IPR

- Rapid dissemination while building on each other's work
- Distinguish between novelty in functionality (object distribution ok) vs. expression of new ideas (source code necessary)
- Authorship complexities
  - Faculty, student, staff authors and who is entitled to inventor royalties
- Derivative works complexities
  - Commercial versions of university software tend to be extensively rewritten and extended

Players and Expectations

- Faculty: fame, support for research group
- Students: experience, good job
- Postdocs: faculty plus students
- Staff: fewer rights than students!
- Trustees: revenue stream, regional development, scandal avoidance, fame
- Industry: early access to commercially useful technology (and well trained students)

IPR Principles

- Uniform treatment of IP
- Use the right incentives: license fees or increased industry sponsorship of research
- Fair sharing among all participants
- Fast licensing decisions is essential
- Realize that software licensing fees are modest and optimize for the common case
- Reserve educational and research rights
- Keep faculty and students educated on these issues

Consortia Agreements

- Many different kinds of consortia
  - Affliates, one university/many industrial sponsors with and without federal funding, many universities one sponsor, many universities and many sponsors
- Set up consistent rules
- Clarify attribution/clearance mechanisms
- Identify precise meaning of “divide equally”
- Make all participants aware of IP risks
  - Infringement, breach, liability

Faculty Entrepreneurs

- Ever increasing number of faculty/grad students commercializing own inventions
- Conflicts of interest
  - Research agenda set by dissemination of knowledge or economic gain
  - Faculty time and attention
  - Exploitation of students
  - Reaction of industrial sponsors
  - Extensive use of university facilities
- No real university policy: department culture sets the norms

Faculty Entrepreneurs

- What is the norm in your department?
- What are the guidelines for acceptable behavior?
  - Clean separation of university from industrial lives for faculty and students
  - University ownership of IP/use of facilities
  - Gifts of founders stock to Department
- How do companies handle these issues?