

February 2021

RUTGERS PATENT POLICIES

Rutgers Patent Policies - Updates

- Bayh-Dole Act & Innovation @Rutgers
- Patent Policies Background – Patent Policies 50.3.1 & 50.3.14
- Revised framework for the policy – where are we now & next steps?



Objectives of the Bayh-Dole Act - 1980



Birch Bayh



Bob Dole

- *Legal framework* to enable the transfer of innovations that result from federally funded research to the marketplace for the public benefit.
- *Required creation of patent policies* and tech transfer offices @universities that receive federal funding.
- *Required that licensing revenues are invested in more research, reward inventors and support the cycle of innovation & commercialization.*



Support faculty
innovation



Protect &
commercialize
intellectual
property



Facilitate
partnerships

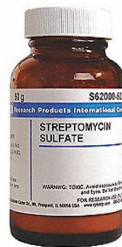


Public benefit &
economic
development

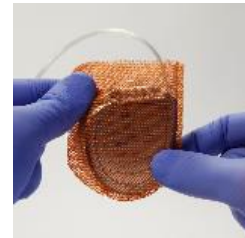
Rutgers Innovations in the Marketplace



Axion – 100% recycled plastic railroad ties



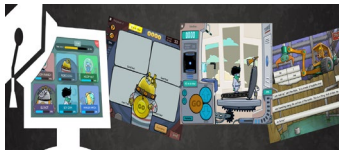
Streptomycin – Nobel Prize-winning antibiotic



Medtronic– absorbable antibacterial envelope for implantable devices



Estee Lauder - Moringa anti-inflammatory, anti-aging skin cream



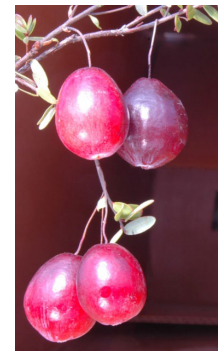
Scientific Learning–Fast ForWord® reading intervention software



REVA - Fantom® sirolimus eluting bioresorbable scaffold



Beckman – AMH Ovarian Reserve Test



**Crimson Queen® Cranberries
U.S. Plant Patent #18,252**



Cepheid - GeneXpert® Point of care molecular diagnostic



Brineura™ only known treatment for Batten Disease

Innovation & Commercialization @Rutgers - From Ideas to Impact

The mission of **Innovation Ventures** is to partner with the Rutgers community to **encourage** deliberate innovation, **protect and leverage** Rutgers intellectual property, **foster** collaboration with industry, and **enable** entrepreneurship.

IP



- ✓ IP process and timelines
- ✓ IP related compliance

Licensing



- ✓ NOI evaluation
- ✓ Industry outreach
- ✓ Agreement negotiations

New Ventures

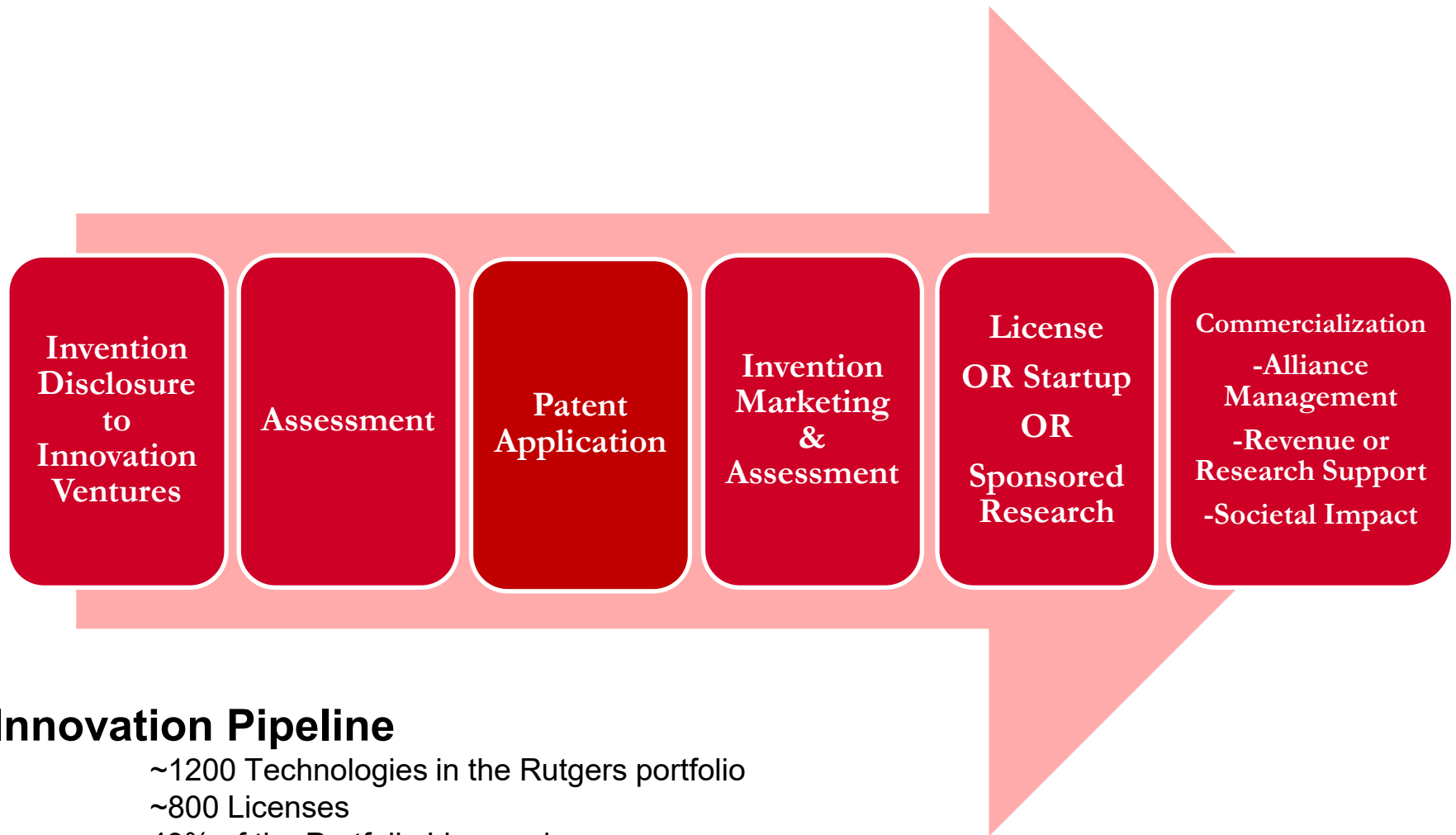


- ✓ Start-up support
- ✓ TechAdvance & HealthAdvance Commercialization Funding

Finance & Compliance



- ✓ Agreement compliance
- ✓ Revenue collection & distribution



Innovation Pipeline

~1200 Technologies in the Rutgers portfolio

~800 Licenses

43% of the Portfolio Licensed

Innovation Pipeline – Select Examples



Technology	Primary Inventor	School	Status
Therapeutic – Oncology	Jones	SAS, New Brunswick	Licensed – Clinical Testing
Therapeutic - Oncology	Kachlany	SOD, RBHS	Licensed – Clinical Testing
Rapid Diagnostic - TB	Pinter	NJMS, RBHS	Licensed – Clinical Testing
Hazelnuts, Strawberries, Catnip, Cranberries	Molnar, Vorsa, Simon, others	SEBS, New-Brunswick	Licensed, Deal Making, Pre-market
Microbiome Platform – multiple indications	Zhao	SEBS, New-Brunswick	Licensed, Clinical Testing
Vaccine technology	Pasqualini	CINJ, RBHS	Licensed – R&D
Gene-editing platform	Jin	RWJMS, RBHS	Licensed – R&D
Cement Technology	Riman	SOE, New-Brunswick	Licensed, Pre-market
Graphene Technology	Nosker	SOE, New-Brunswick	Licensed – R&D

Some of the RU Innovators



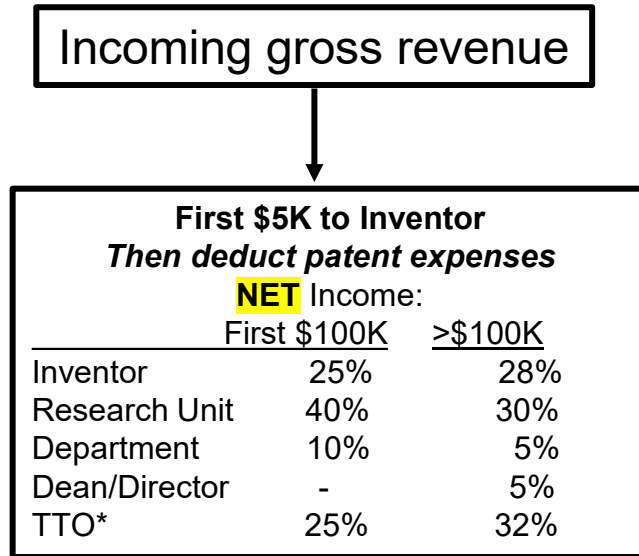
Typical University Patent Policy



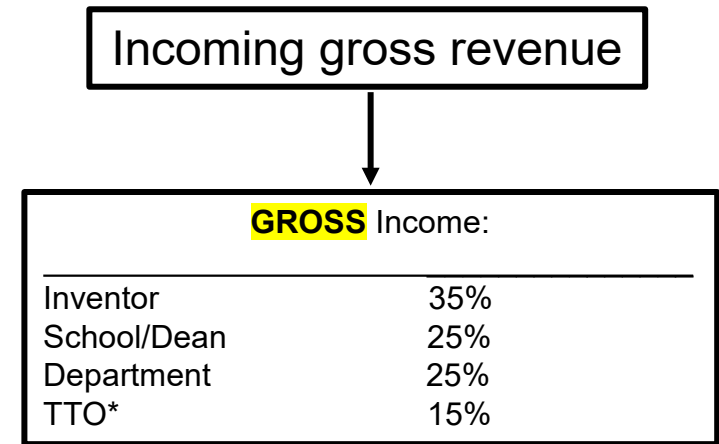
- *University patent policy supports the innovation commercialization cycle in line w/ Bayh-Dole*
- *University holds the rights to intellectual property invented by faculty & staff*
- *University pays for patenting costs & fees when a decision is made to protect the invention*
- *University markets and negotiates license agreements on behalf of faculty & staff to enable commercialization of university's intellectual property*
- ***Licensing income is distributed to:***
 - ✓ ***The **inventor** – to reward innovation***
 - ✓ ***Tech Transfer Office to **support commercialization efforts*****
 - ✓ ***Research ecosystem – to support **research & innovation*****



Rutgers Policy 50.3.1 'Legacy Rutgers' pre-2020



Rutgers Policy 50.3.14 'Legacy UMDNJ' pre - 2020



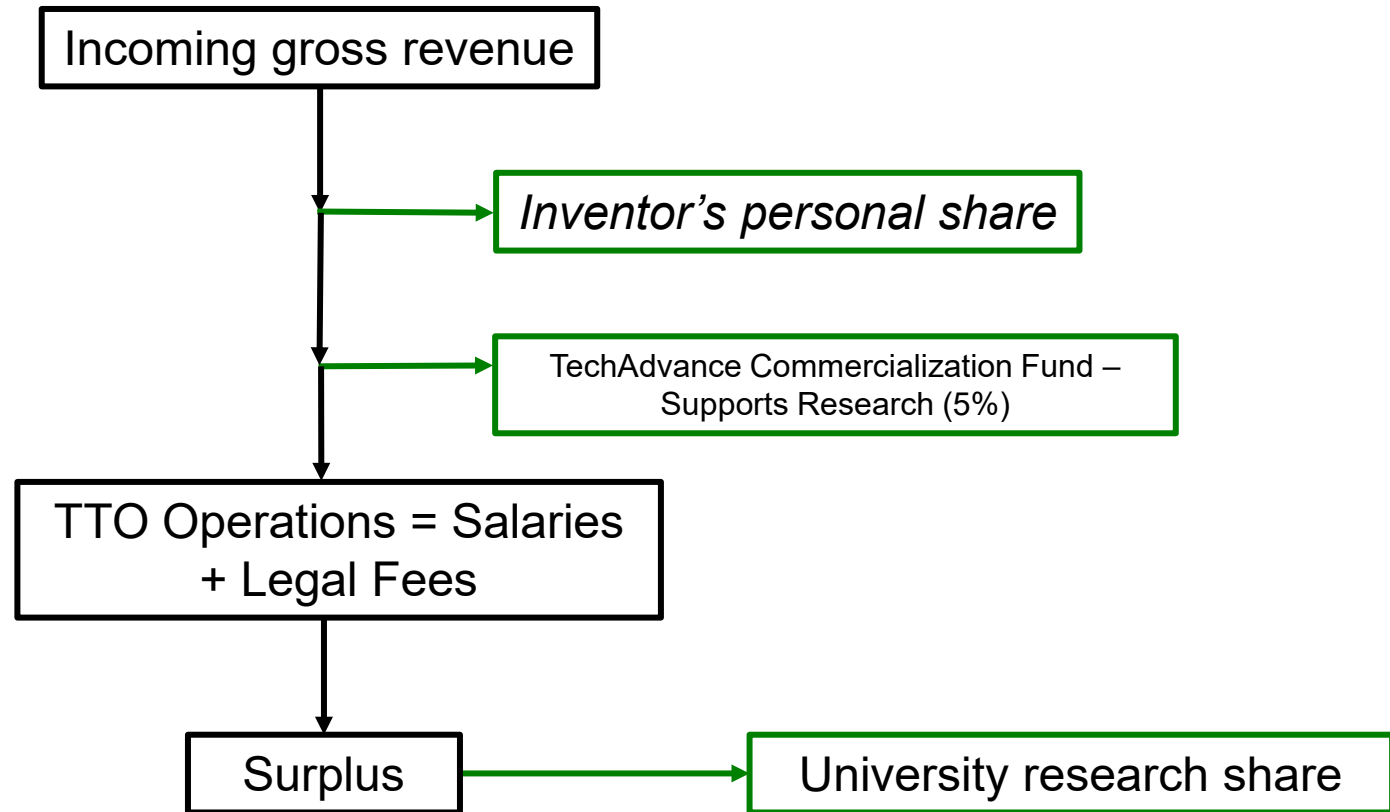
At the time of the merger between Rutgers & UMDNJ, both institutions had separate patent policies – 50.3.1 and 50.3.14 that had issues:

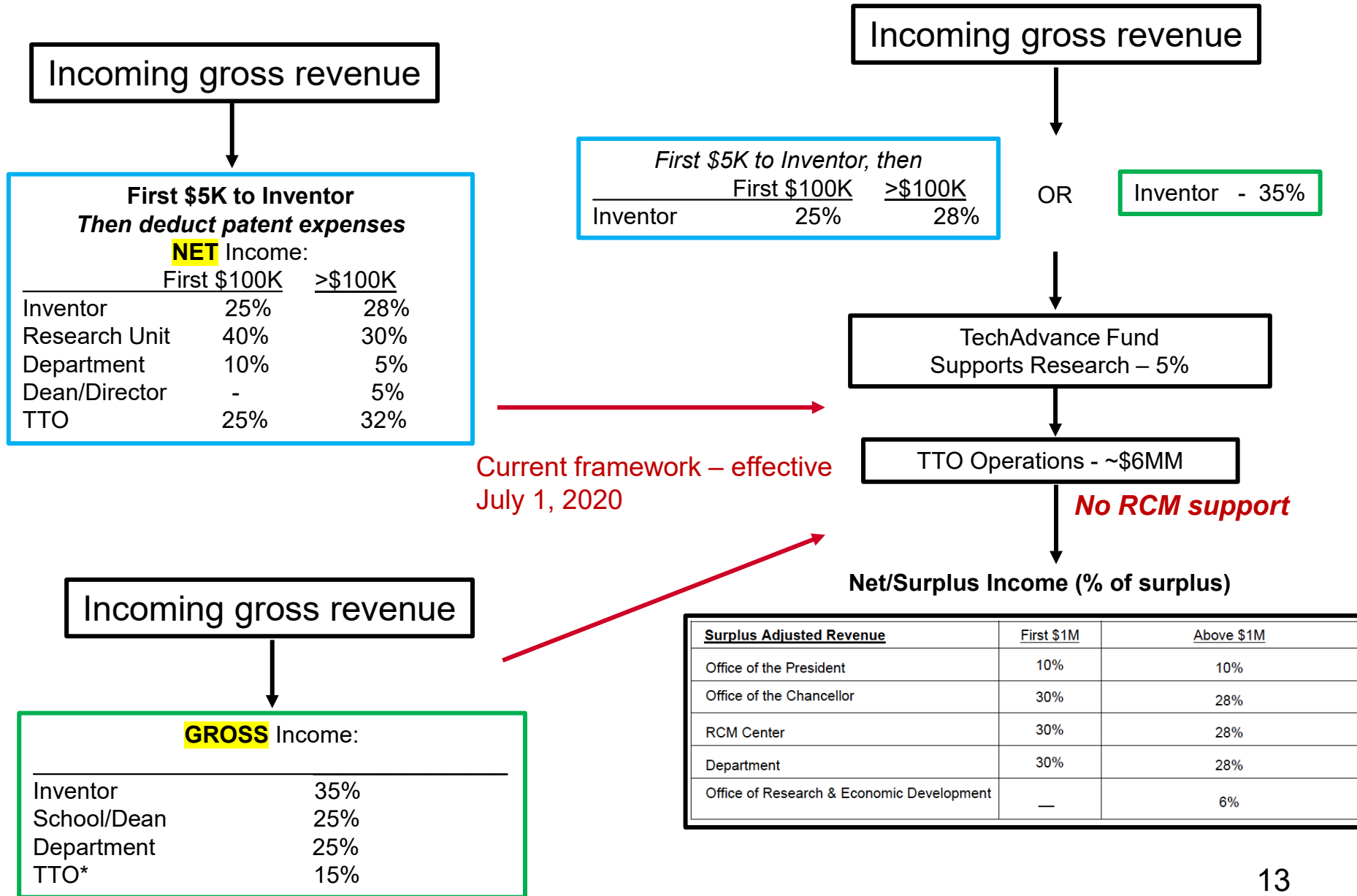
- **Legacy RU:** *Inventor's share delayed by allocation to cover expenses*
- **Legacy UMDNJ:** *No Inventor distribution if inventor holds >10% equity*
- *Technology Transfer Office* (now Innovation Ventures) insufficiently funded. Garnering adequate RCM support was a challenge and inadequate support for commercialization efforts hampered success (legacy UMDNJ 15% to TTO)*
- *Inconsistent definition of recipients of university share (shares other than Inventor)*

Objectives for the current framework:

1. **Reward** inventors - they are the source of innovation.
2. **Enable** a sustainable self-funded model that adequately supports required commercialization efforts – no RCM contribution.
3. **Simplify** and clarify policy to remove complications that inhibit innovation.
4. **Grow** innovation by creating a model that directs the maximum amount of funds to support research infrastructure and promote academic excellence.









Current framework effective
July 1, 2020

Additional input indicated:

- desire to mandate support for innovators' labs
- concern over annual surplus for allocation being variable.

No RCM support

Incoming gross revenue

	First \$100K	>\$100K
Inventor	25%	28%

OR

Inventor - 35%

TechAdvance Fund
Supports Research – 5%

TTO Operations - ~\$6MM

Net/Surplus Income (% of surplus)

Surplus Adjusted Revenue	First \$1M	Above \$1M
Office of the President	10%	10%
Office of the Chancellor	30%	28%
RCM Center	30%	28%
Department	30%	28%
Office of Research & Economic Development	—	6%



Current policy 50.3.1/50.3.14 effective 7/1/2020

Concepts for a New Policy

- **Immediate distribution of gross revenue**
- **Reward Innovators without delay (gross distribution)**
- **Support research @ innovator's labs (or research unit)**
- **Support research infrastructure**
- **RCM support for salaries of Innovation Ventures team**
- **TTO allocation support for the patent/legal budget and to grow innovation.**

Incoming gross revenue

First \$5K to Inventor, then

	First \$100K	>\$100K
Inventor	25%	28%

OR

Inventor - 35%

TechAdvance Fund
Supports Research – 5%

Operations - ~\$6MM

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Example

Incoming gross revenue

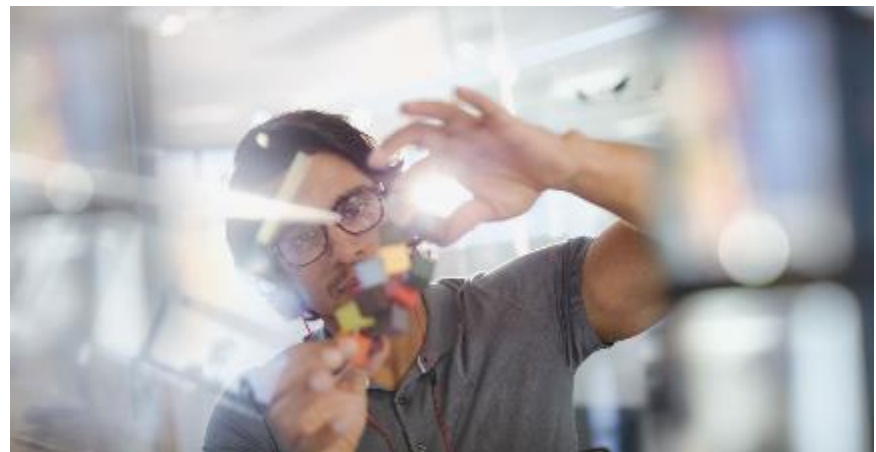
Income distributed among:

 Inventor
 Inventor Lab
 Research Infrastructure
 TechAdvance Fund
 TTO

Drs. Litvin-Vechnyak and Kimball continue to conduct discussions with faculty to collect and collate good ideas. ***The overall objective is to reward innovators, grow innovation and support commercialization within the Bayh-Dole context.***

The questions we are considering:

- How can the university best support innovators through a new policy?
- What are mechanisms that will optimally incentivize innovative faculty?
- What are the best ways to support an innovation ecosystem and nascent innovation throughout the university?



Thank you!

Any questions?