Royalty and Equity Distribution

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Scope

This policy applies to members of the faculty and staff of the University of Nebraska at Omaha (UNO) or other inventors who use university personnel, property, facilities or other University of Nebraska (University) resources, and whose invention or discovery falls under Board of Regent’s Policy 4.4.2, as well as their respective academic/administrative units.

Policy Statement

The Board of Regents of the University of Nebraska encourages the commercialization of inventions and discoveries arising from research activities of the University, and when appropriate, the pursuit of patents or other intellectual property protection, as a method of bringing recognition and remuneration to the University's inventors and to the University itself. Pursuant to the Board’s Bylaws, every invention or discovery by members of the faculty and staff that results from the performance of duties within the scope of their University employment, or from the use of University personnel, property, facilities, or other resources, except where such use is minimal, is solely owned by the University, provided that the inventor or inventors shall have a share of no less than one-third (1/3) of the net proceeds received by the University resulting from licensing or sale of University owned intellectual property rights associated with such invention or discovery. Board of Regents Policy 4.4.2 states
that the remaining non-inventor two-thirds (2/3) is allocated pursuant to a separate distribution policy established by each University campus.

In order to best utilize non-inventor proceeds and to serve the objectives of the Regents Policy, UNO shall allocate non-inventor proceeds on a case-by-case basis as determined by the Committee for Proceed Distribution (the “Committee”). Those academic/administrative units having a connection to the proceeds at issue shall be invited to participate in the Committee’s decision, and to provide the Committee with information addressing their support of the underlying technology. The Committee will take into account the support offered by those academic/administrative units to determine what, if any, of the proceeds should be distributed to the academic/administrative units of the inventors.

**Reason for Policy**

Pursuant to RP-4.4.2 Board of Regents’ Patent and Technology Transfer Policy, UNO is responsible for allocating non-inventor technology transfer proceeds according to its individual campus policy.

**Procedures**

**Committee Membership**

Members of the Committee shall be the Vice Chancellor for Business, Finance and Business Development, the Associate Vice Chancellor for Research and Creative Activity, the Senior Vice Chancellor of Academic Affairs, the Patent Administrator, and one member at large to be appointed for a term and in a manner determined by the Faculty Senate Executive Council (not to exceed a 3 year term). The Committee shall meet as needed to carry out the function of RP- 4.4.2, Section 5(b), and such meeting(s) shall be held within ninety (90) days after the license or sale of a University invention or discovery that results in a distribution covered by this Policy.

**Committee Responsibilities**

1. Expenses and Net Proceeds

   a. Following and applying the Technology Commercialization Services Agreement, effective July 1, 2017 (and any duly executed subsequent agreements) between UNO and UNeMed Corporation (formerly doing business as UNMC Tech).

   b. Reviewing the legal fees and other technology transfer expenses associated with each source of proceeds. Regents’ Policy requires that such expenses be reimbursed before any proceed distributions are made.

   c. Reviewing, as needed, non-inventor proceed allocations between University campuses and/or general proceed allocations with third parties.

1. Distribution of Net Proceeds to Inventors

   a. Ensuring that with respect to proceeds covered by Regents’ Policies, one third of all net proceeds received by the University is distributed to the inventors.

   i. When a single source of proceeds involves multiple University of Nebraska inventors, inventors should coordinate with UNeMed to file a written agreement delineating the division of proceeds
between all inventors. Multiple inventor proceeds received but not adequately covered by a written
inventor agreement will be distributed equally between all University of Nebraska inventors.

ii. When a single source of proceeds involves inventors outside the University of Nebraska system,
University inventors should coordinate with UNeMed Corporation to file a written agreement
delineating the division of proceeds between all inventors. If no agreement is filed, the parties’
contract, MOU, or other agreement will determine each inventors’ rights. If the inventors’ distribution
rights are not covered by a written agreement, proceeds will be distributed equally between all
inventors, in accordance with this Policy and the Board of Regents Patent and Technology Transfer
Policy RP-4.4.2.

b. In some highly meritorious cases, a given inventor may be found to have earned a share of
the proceeds that exceeds the general recommendation of one-third; however in no case will a
distribution be made to an inventor that exceeds the recommended one-third until the University of
Nebraska and/or UNeMed Corporation has recovered all of its costs, and an appropriate continuing
share has been determined for the University. Such decisions are to be considered highly exceptional
and will require the approval of the President upon recommendation of the Chancellor. The President
shall report such exceptions to the Board of Regents.

1. Distribution of Net Proceeds to Non-inventors

a. Examining sources of net non-inventor proceeds covered by the Board of Regents’ Patent
and Technology Transfer Policy and determining what proportion, if any, should be distributed to
inventors’ academic/administrative units. This determination shall be in keeping with each unit’s level
of support and commitment to technology development. Academic/administrative units found to be
without significant contribution to technology development may be excluded from receiving proceeds.

i. Deans or Directors of the academic/administrative units employing faculty or other persons
responsible for creating intellectual property from which net proceeds are generated shall be given
notice of Committee meetings and provided the opportunity to present information representing
significant support of UNO technology development. Ordinary support consisting of only the usual
salary, space, and equipment afforded to faculty shall not be considered significant. Information
intended to be representative of significant support to technology development shall be substantiated
through documentation, interviews with inventors, or other appropriate means. The Committee shall
refrain from deciding non-inventor proceed allocations until all interested principals have been given
reasonable opportunity to participate.

b. Earmarking net proceeds as may be distributed to the Office of Research and Creative Activity
and/or other administrative units to be used for investing in promising research areas, research
beneficial to technology development, and related research administration activity. Allocating any
net non-inventor proceeds to UNO accounts for use in furthering translational research or otherwise
furthering the objectives of technology and economic development. This includes those net non-
inventor proceeds not distributed to academic/administrative units.

1. Other Responsibilities

a. Performing other responsibilities within the scope of RP- 4.4.2, Section 5(b).
Related Information

• UNO/UNMC Tech: Technology Commercialization Services Agreement, effective July 1, 2017 (and any duly executed, subsequent agreements between UNO and UNMC Tech and/or UNeMed)
• Contact UNeMed Corporation
• University of Nebraska Board of Regents Policies

History

New policy approved by Chancellor’s Cabinet on October 16, 2019.