POLICY STATEMENT:
This policy provides guidelines for the ownership, distribution, and commercialization rights associated with intellectual property, and also establishes standards which govern the use and distribution of intellectual property and its tangible form. Greenville Health System has a commitment of patient care, education, and research. Greenville Health System does seek to advance and expand medical knowledge through research and therefore recognizes that when inventions or the creation of other intellectual property occurs, Greenville Health System has responsibility for assuring that they will be managed for the benefit of the public in common good, and where necessary to pursue patents and licenses to encourage their development and marketing.

In order to achieve this responsibility, Greenville Health System has established this Intellectual Property Policy:

a) To promote Greenville Health System’s policy of encouraging medical knowledge through research and scholarship;
b) To serve the public’s interest by providing an organizational structure and procedures through which inventions and other forms of intellectual property which arise from the course of employment or through Greenville Health System’s research may be made readily available to the public through established channels of commerce on a non-discriminatory basis;
c) To encourage, assist, and provide tangible rewards to covered individuals of the Greenville Health System to make inventions processed under this policy;
d) To establish principles and uniform procedures for determining the rights and obligations of the Greenville Health System, creators, and sponsors with respect to inventions and other intellectual property arising during the course of the creators’ and sponsors’ association with the Greenville Health System;
e) To enable the Greenville Health System to enter into institutional agreements with private and federal research funding agencies and Universities;
f) To produce funds for further scientific investigation and research, and for the overall needs of the Greenville Health System.

This policy applies to any inventions, discoveries, improvements or other intellectual property, regardless of patent, trademark, copyright, or trade secret eligibility, developed directly or indirectly as the result of activity involving use of Greenville Health System’s resources or which was developed in furtherance of employment duties on behalf of Greenville Health System or by other covered individuals.

**DEFINITIONS:**

Author: The creator of any original work subject to Copyright.

Copyright: The protection provided by law against, for example, unauthorized copying of an original work of authorship that has not been placed in the public domain by its Author or the owner of the copyright. Copyrights subsists at the point in time when an original work of authorship is created, i.e., fixed in any tangible medium of expression that protects the form of expression or any derivative form of expression. In no case does copyright protection of an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle or discovery regardless of the form in which is described, claimed, illustrated or embodied in such work. The U.S. Copyright Law grants the owner exclusive rights for a period of the life of the Author plus seventy (70) years after the Author’s death. Copyrightable works which qualify as a “Work Made For Hire” provides for a copyright term of ninety-five (95) years from publication or one hundred and twenty (120) years from creation, whichever occurs first.

Covered Individuals: Full-time and part-time employees, students, faculty, medical staff, adjunct personnel, volunteers, temporary employees, and other service providers including corporations, professional associations, partnerships, independent contractors and any other entity or individual that provides services to Greenville Health System or use Greenville Health System’s facilities, property, resources, or personnel.

Creator: Any Author, Inventor or originator of a particular Intellectual Property.

Income: All revenue received by Greenville Health System for the license or sale of Intellectual Property assigned in whole or part to Greenville Health System, including Royalties and including revenues received as a result of ownership or sale of an equity interest acquired through licensing or sale of such Intellectual Property.

The term “income” shall not include indirect economic benefits resulting from the technological position established by the patented technology or the sale of derived articles or concepts,
including such items as a follow-on NIH or NSF grant using the patented technology as a basis for future work.

Intellectual Property: The term “intellectual property” as used in this policy includes innovation or creation invented or authored by an individual or entity during their association with Greenville Health System. Within this context, the term “intellectual property” means any invention or creation defined through statutory or Common Law to be protected through Patent, Copyright, Trademark or Service Mark, or as a Mask Work, tangible research property or Trade Secret.

Intellectual Property Committee: Means the committee approved by the Chief Academic Officer of Greenville Health System and comprised of at least the Vice President and Chief Operating Officer of Health Sciences Center, LLC (“HSC”); the Chief Science Officer of the Greenville Health System; the Deputy General Counsel for Academics and Community Affairs of the Greenville Health System; at least one designated clinician; and at least one external entrepreneurial expert. The Intellectual Property Committee is entrusted with reviewing and evaluating intellectual property disclosures received and processed by staff of HSC, providing recommendations with regard to the disposition of intellectual property disclosures, licensing arrangements and assignments of intellectual property acquired by Greenville Health System under this policy. Recommendations of the Intellectual Property Committee will be made to the Greenville Health System President or designee for final decision and implementation. The Intellectual Property Committee is broadly charged with the administration of the Greenville Health System Intellectual Property Policy in accordance with the accompanying Greenville Health System Intellectual Property Procedures, attached hereto as Exhibit A. The Intellectual Property Committee may recommend changes to both the Greenville Health System Intellectual Property Policy and/or Greenville Health System Intellectual Property Procedures for consideration and approval by the President of Greenville Health System.

Intellectual Property Rights: The principle rights governing the ownership and disposition of technology are known as “intellectual property rights” which are derived primarily from legislation granting the Patent, Copyright, Trademark, integrated circuit mask work protection and Trade Secret protection.

Inventor: The inventor of a patentable invention, as determined in accordance with United States Patent Law.

Mask Work: A three dimensional pattern of a semiconductor chip. The Semiconductor Chip Protection Act of 1984 defines that protection of “mask works.” Registration of a mask work provides a reproduction right, similar to the Copyright Statue for a ten (10) year period. All mask work rights are forfeited two (2) years after the first commercial exploitation of the mask work, unless registration is made within that time. Registration of a mask work does not protect electrical circuits or any microcode embodied in the mask work.

Net Income: The term “net income” means all Income, less:
a) Greenville Health System’s paid direct or indirect expenses reasonably allocable to research or development activity directly resulting in the development of such income producing Intellectual Property;
b) Fees and expenses paid to legal counsel by Greenville Health System for preparation and prosecution of patent applications, trademark or service mark applications, copyright registrations, mask work registrations or maintenance of Patents on the particular Intellectual Property;
c) Fees and expenses paid to third parties to market said income producing Intellectual Property;
d) Legal fees and other direct expenses related to licensing agreements, negotiations, and infringement actions associated with the Intellectual Property; and
e) Liability insurance to market a product or service related to the Intellectual Property, maintenance fees paid to keep the Intellectual Property in force.

Patent: The exclusive rights granted by a government to an Inventor or his assignee to exclude others from making, using or selling the invention and, if the invention is a process, the right to exclude others from using or selling or importing products made by that process for a specified time as defined by the patent laws. For purposes of patent protection, an invention is a novel, non-obvious and useful idea related to processes, machines, articles of manufacture and compositions of matter. Within patent law and for the purposes of this policy, an invention has been made when a definite idea of the complete and operative invention is formed in the mind of the inventor.

Within the United States and most of the rest of the world, the right to the grant of patent for a given invention generally lies with the first person to file a patent application for the protection of that invention, regardless of the date of the actual invention.

Royalty: The term “royalty” relates to gross revenue received by Greenville Health System which is directly generated by the licensing or royalty bearing assignment of Intellectual Property. A royalty may include a portion of a legal judgment or settlement received by Greenville Health System, in which case the amount considered as a Royalty is limited to that which would have been provided by a reasonable royalty. The portion of such legal judgments or settlements which include awards for attorney fees, exemplary damages, statutory damages, or enhanced damages are not considered a “royalty” under this policy.

Sponsor or Sponsorship: The terms “sponsor” and “sponsorship” refer to the individual or entity, other than a Greenville Health System organization member, which provided funding for the activity of any Greenville Health System organization that resulted in the creation of Intellectual Property.

Trademark or Service Mark: The terms “trademark” or “service mark” refer to the marks that distinguish the origin of a product or service respectively. Trademarks and Service Marks may be registered if the intent is to reserve to the owner or assignee the exclusive right to use the
Trademark and Service Mark. However, the mark must be used in commerce (as defined by respective federal and state laws) in order to retain the exclusive right afforded by trademark or service mark protection.

Trade Secret: The term “trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process that:

a) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; and

b) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Work Made For Hire: The phrase “work made for hire” is defined in Section 101 of the Copyright Act to generally include (1) a work prepared by an employee within the scope of his or her employment; or (2) a work specifically ordered or commissioned if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire. Scholarly and professional writings of faculty, physicians, attorneys, and other professionals who are engaged to teach, conduct research and/or perform clinical or professional services are generally not construed by law or by this policy to fall within the definition of “work made for hire.” However, original works of authorship specifically authorized, the creation of which requires use of institutional resources, are construed under this policy to be “work made for hire.” Publications, visuals or other artistic work and software with original authorship by staff covered individuals, such as programmers, artists media specialist or writers of Greenville Health System’s publications are considered to have been created in the course of the author’s or creator’s association.

PROCEDURE:
I. OWNERSHIP:

A. Ownership rights in Intellectual Property, including inventions, original works of authorship, Mask Works, software, tangible research property, Trademarks and Service Marks, and Trade Secrets, made or created by Covered Individuals are as follows:

   (i) Ownership of Intellectual Property created in the course of work pursuant to a program supported by a Sponsor or an agreement with a third party will be determined in accordance with the terms of the agreement with the Sponsor or third party.

   (ii) Ownership of Intellectual Property created as Work Made for Hire will be determined in accordance with any separate written agreement between the Authors and Greenville Health System, or if none, then ownership will vest in Greenville Health System.
Ownership of all other Intellectual Property created with use of Greenville Health System’s facilities, property, resources or personnel or developed in furtherance of duties or responsibilities performed on behalf of Greenville Health System will vest in Greenville Health System.

II. DISTRIBUTION OF INTELLECTUAL PROPERTY INCOME:

A. Creators’ Share: It is the policy of Greenville Health System, with respect to a particular Intellectual Property, assigned by Creator(s) to Greenville Health System, to share fifty percent (50%) of any and all Net Income received by Greenville Health System from the sale or licensing of the particular Intellectual Property with the Creator(s) of the Intellectual Property, subject to the following exceptions: There will be no income sharing with respect to a Trademark or Service Mark, Works Made for Hire, Mask Works, Trade Secrets, or tangible research property which is assigned to Greenville Health System.

B. Greenville Health System Share: Greenville Health System’s share of Net Income shall be the sole property of Greenville Health System, and will be used as determined by the recommendation of the Intellectual Property Committee, subject to approval by the Board of Managers of HSC.

III. DISCLOSURE

A. It is the policy of Greenville Health System that Covered Individuals promptly report and fully disclose Intellectual Property created by them which may be subject to vesting in Greenville Health System or third party Sponsor(s). All disclosures shall be made in writing to appropriate members of the staff of HSC who are directly responsible for technology transfer initiatives and the administration and management of Intellectual Property on behalf of Greenville Health System under the supervision of the Intellectual Property Committee.

B. Further, upon commencement of a Covered Individual’s relationship with Greenville Health System, each Covered Individual shall disclose in writing to the Intellectual Property Committee any invention or other Intellectual Property interest he or she may have created prior to commencing a relationship with Greenville Health System.

C. All Covered Individuals presently associated with Greenville Health System shall make a disclosure to the Intellectual Property Committee of any prior creation of intellectual property. Any item of intellectual property which is created prior to a Covered Individual’s relationship with Greenville Health System, but which is developed, refined, improved, or enhanced during the Covered Individual’s relationship with Greenville Health System shall also be the exclusive property of Greenville Health System unless otherwise agreed to in writing by the parties. When a Covered Individual terminates association with Greenville Health System for any reason, he or she shall be required to deliver to Greenville Health System all documentation of research results and inventions prior to the issuance of his or her final compensation payment.
D. Document Execution: Creator(s) shall execute such declarations, assignments, or other documents as may be necessary in the course of action to protect rights and to assure that title in such Intellectual Property shall be held by Greenville Health System, or by such other parties, such as the HSC, designated by Greenville Health System as may be appropriate.

E. Disclosures will be reviewed by the Intellectual Property Committee according to the procedures found in Exhibit A: Intellectual Property Committee Procedures.

IV. POST ASSOCIATION OF OBLIGATION

A. For six months following termination of Greenville Health System’s relationship with an individual considered a Covered Individual prior to such termination (a “Departed Individual”), Greenville Health System will have ownership rights in intellectual property created by the Departed Individual which is related to research projects, investigations or work which derive from or are a continuation of work or information acquired by the Departed Individual during his/her association with Greenville Health System. Such intellectual property will be considered and treated as having been made under this policy and the rights and obligations of both Greenville Health System and the Departed Individual will be in accordance with this policy and the procedures in place at the time of the termination unless released or otherwise modified in writing by Greenville Health System and the Departed Individual.

B. It is recognized that intellectual property created during the post association time period may be subject to ownership rights of additional individuals and organizations as well. It is the policy of Greenville Health System to cooperate with the Departed Individual and other interested third parties to effect an equitable agreement regarding the ownership and royalty distributions to which Greenville Health System has an interest.

V. GREENVILLE HEALTH SYSTEM OBLIGATION TO DEVELOP OR TRANSFER

A. When ownership of Intellectual Property vests in Greenville Health System, Greenville Health System will retain all domestic and foreign Intellectual Property Rights. Greenville Health System may assign or license Intellectual Property Rights to third parties, with or without a licensing fee, solely within the discretion of Greenville Health System, to effect development of the Intellectual Property and make it available to the benefit of the public. If Greenville Health System, through the recommendation of the Intellectual Property Committee, elects not to develop an Intellectual Property directly or through third parties, or fails to show reasonable diligence in such development, and in the absence of any overriding obligations to outside Sponsors or other third parties pertaining to the Intellectual Property, Greenville Health System may effect a transfer of ownership in and to the Intellectual Property to its Creator(s), thereby waiving Greenville Health System’s rights and terminating Greenville Health System’s responsibilities pertaining to the Intellectual Property under this policy. In the event ownership to an Intellectual Property is transferred to the Creator(s), the Creator(s) shall grant to the Greenville Health System a royalty-free, irrevocable, non-exclusive, non-transferable license to make or use the Intellectual Property for Greenville Health System’s own
purposes, including a release of liability and indemnification for Greenville Health System for any actions resulting from Creator(s) activities related to the transferred Intellectual Property.

VI. PUBLICATION OF INTELLECTUAL PROPERTY

A. U.S. and foreign Intellectual Property Rights can be adversely affected by a public disclosure or publication of information concerning the subject Intellectual Property. In order for Greenville Health System to have time to consider filing for, and to file for, Intellectual Property protection, prior authorization from the Intellectual Property Committee is required before making any public disclosure of a particular Intellectual Property, including submitting manuscripts for publication or making oral or poster presentations at professional meetings.

B. All such requests for publication or presentation clearance will be processed by the committee expeditiously and, when appropriate, readily granted. In rare and exceptional cases it may be necessary to temporarily delay a publication/presentation or alter the content of the publication/presentation to prevent a loss of Intellectual Property protection.

VII. FOREIGN PATENT APPLICATIONS

A. If a decision is made not to file a foreign patent application with respect to an Intellectual Property, the Inventor may request release of foreign patent rights to the Intellectual Property. The release of foreign patent rights will be subject to the following conditions:

   (i) That Greenville Health System shall have a royalty free, non-exclusive, non-transferable, irrevocable license to make use of the Intellectual Property Rights in conjunction with ongoing or future research, treatment, or educational programs sponsored by Greenville Health System.

   (ii) That the release of foreign patent rights for Intellectual Property on which Greenville Health System intends to file U.S. Patents, will not occur until the U.S. Patent Application has been filed and Greenville Health System has been granted a foreign filing license from the U.S. Patent & Trademark Office.

   (iii) That Greenville Health System shall have no obligations, monetary or otherwise, with respect to the patent rights released hereunder.

VIII. ABANDONMENT OF NON-PRODUCING PATENTS

A. Greenville Health System reserves the right to abandon any non-producing Patent. In the event Greenville Health System, through its Intellectual Property Committee, determines to abandon a patent under this provision, Greenville Health System will offer to convey such Patents to the Inventor in accordance with the conditions of the release set forth in section VII.
IX. POTENTIAL CONFLICT OF INTERESTS

A. Covered Individuals of this Greenville Health System Intellectual Property Policy engage in a wide variety of activities with other organizations with or without financial compensation. Actual or potential conflicts of interest may arise which could affect a Covered Individual’s duty or loyalty to Greenville Health System. Full disclosure to the Intellectual Property Committee, shall be made of situations where a potential conflict of interest or possible joint interest of a third party with Greenville Health System exists. The following are types of situations which may involve a joint interest or a conflict of interest:

(i) Consulting agreements with third parties which could require use of trade secrets, confidential information, disclosure of confidential or unpublished information which belongs to Greenville Health System, or requires use of Greenville Health System’s facilities or personnel;

(ii) Situations where a Covered Individual is a partner or shareholder in a corporation, professional association, partnership, or other business or legal entity where the Covered Individual is under a legal or contractual obligation to disclose or assign the creation of Intellectual Property;

(iii) Situations where a Covered Individual elects or is afforded an opportunity to do some or all of the Covered Individual’s work at a facility other than that provide by Greenville Health System, thereby depriving Greenville Health System and the Covered Individual’s co-workers of involvement in the work;

(iv) Situations where a Covered Individual has an opportunity to use Greenville Health System’s facility or personnel for the creation, testing, or improvement of Intellectual Property, but elects to use other facilities or personnel instead; and

(v) Situations where a Covered Individual is using Greenville Health System’s facility and/or personnel for projects or activities unrelated to Greenville Health System or which are in furtherance of interest of a third party who is not subject to a contractual agreement or sponsorship agreement with Greenville Health System.

B. Any consulting agreement or other third party contractual obligation of a Covered Individual must:

(i) Incorporate by reference and be subject to the Greenville Health System Consulting Policy, Greenville Health System Intellectual Property Policy and Greenville Health System Intellectual Property Procedures, attached hereto as Exhibit A, in effect at the time and as may be subsequently amended by Greenville Health System; and
(ii) Be disclosed to the Intellectual Property Committee along with a copy of the subject agreement or contract.

C. As provided for in the procedures of the Intellectual Property Committee, a disclosure of a potential conflict or a contractual arrangement with a third party may be made on a confidential basis to protect the interest and privacy of the parties involved.

D. It is the policy of Greenville Health System to resolve potential conflicts and situations where joint interests in Intellectual Property may arise by entering into separate written agreements between Greenville Health System, the Covered Individual, and any third party involved. Prompt disclosure by Covered Individuals is essential so that agreements can be reached by the parties prior to the creation or disclosure of Intellectual Property or other confidential information.

X. AMENDMENTS TO POLICY

A. This policy and accompanying Greenville Health System Intellectual Property Procedures may be amended by the President of Greenville Health System. If any part of the policy should for any reason be declared invalid, such decision shall not affect the validity of any remaining portion, which shall remain in full force and effect.

RELATED DOCUMENTS (OPTIONAL)