

## Patent and Data Rights under SBIR/STTR Awards

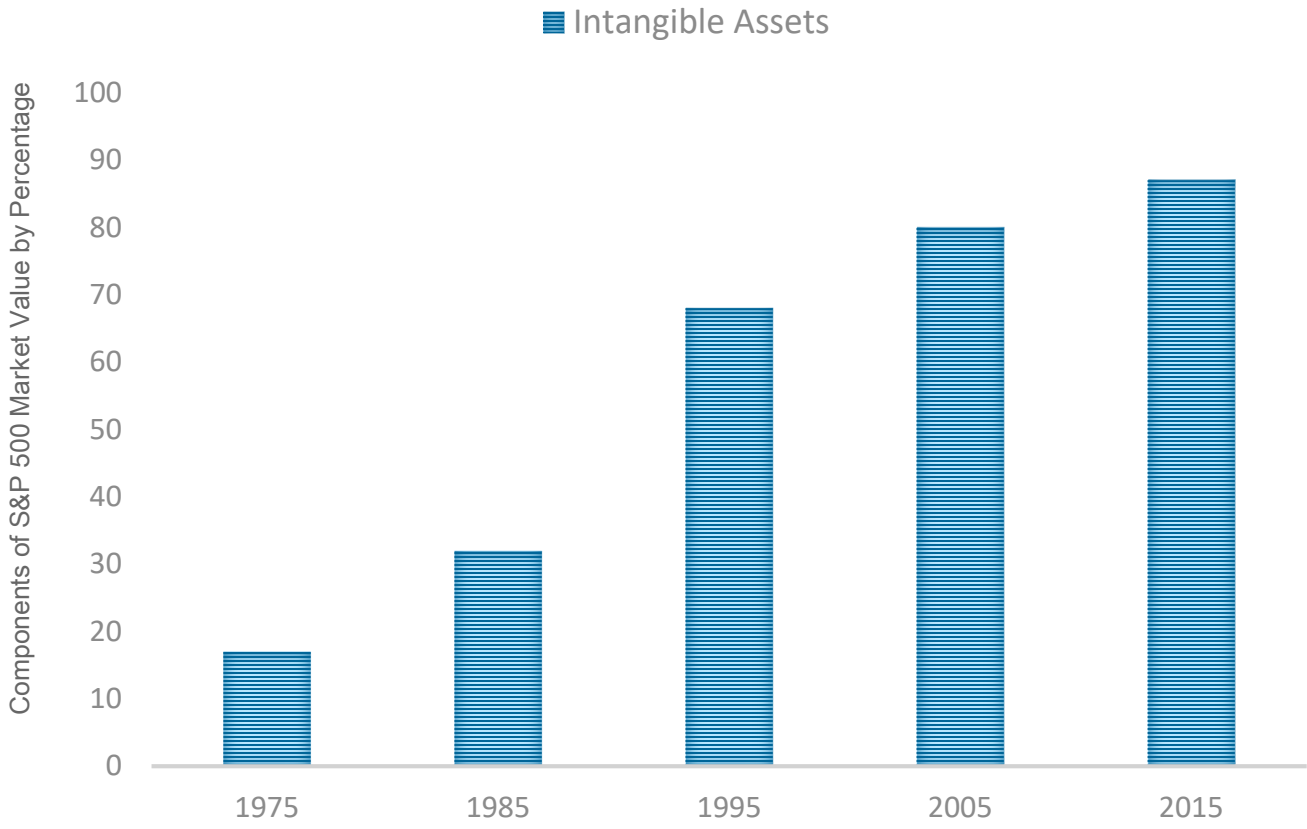
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## Disclaimers – Consult your Attorney and [Award Terms](#)

- **Legal Representation:** This presentation includes information about legal issues and legal developments for informational purposes only. These informational materials are not intended, and should not be taken, as legal advice on any particular set of facts or circumstances. You should contact an attorney for advice on specific legal problems.
- **Personal Views and Opinions:** The views and opinions expressed in this presentation are those of the author and do not necessarily reflect the official policy or position of any agency of the U.S. government.

# Value of IP to the Economy



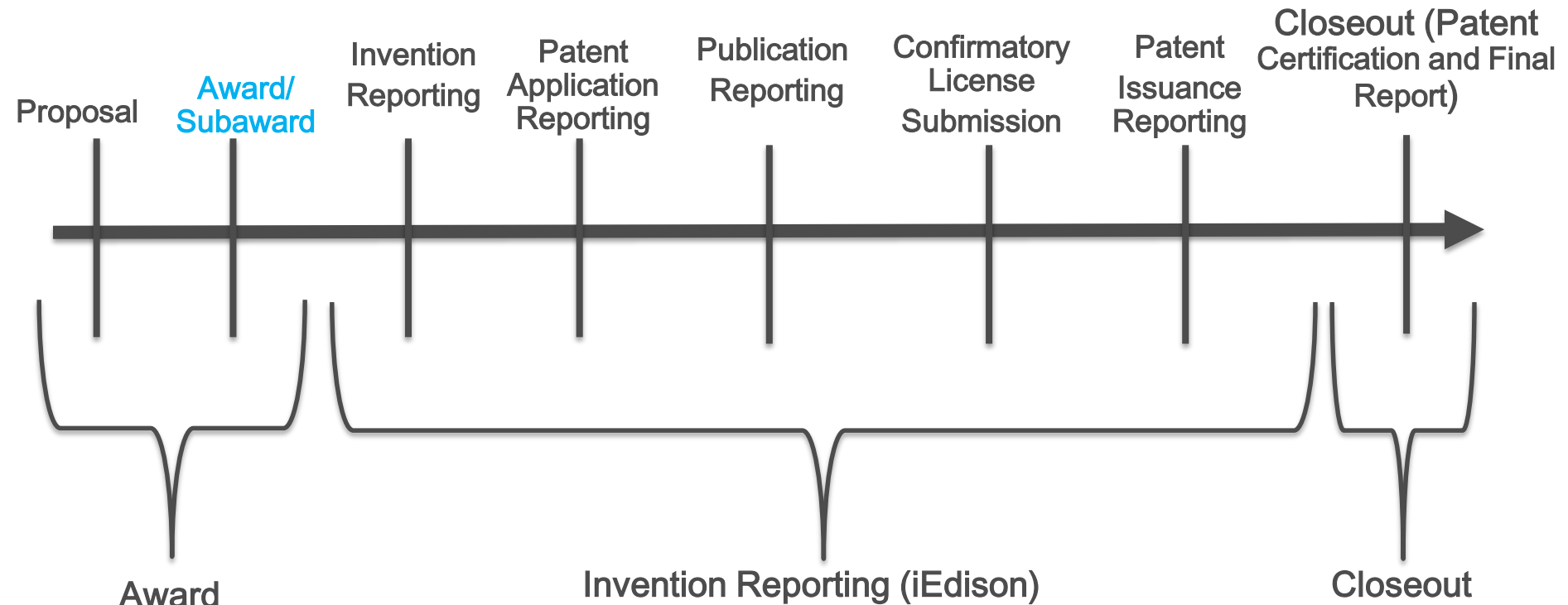
Source: Ocean Tomo, Components of S&P 500 Market Value by percent



# Key Takeaways

1. Properly mark your data
2. Timely report **subject inventions** through iEdison (not just patents)
3. Watch Statutory bars (publications, on-sale, and public use) and inform both your attorney and DOE ASAP

# Award Invention & Data Rights Key Events



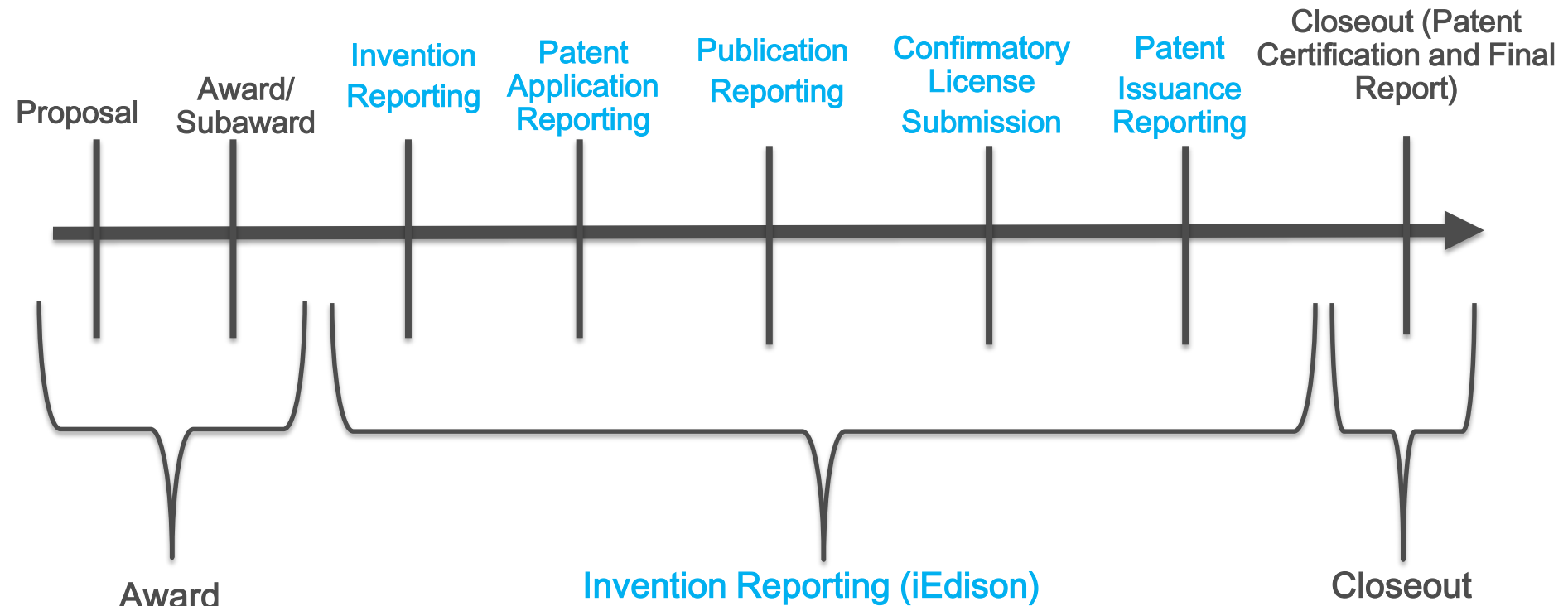
# Subawards

- Subcontract with DOE Labs
  - Lab provides suitable agreement (e.g. SPP/CRADA) upon request
- Required to flow down Patent and Data Rights
  - Patent
    - Non-profits and Small Businesses must have the option to retain patent rights
      - May negotiate away, but not as a consideration for awarding the subcontract
    - Government retains rights to Large businesses inventions, unless DOE granted Patent Waiver
  - Data
    - SBIR/STTR rights apply to all SBIR/STTR awards, including subawards to such awards, that fall within the statutory definition of Phase I, II, or III of the SBIR/STTR Program, as described in the Small Business Innovation Research (SBIR) and the Small Business Technology Transfer Program Policy Directives.

# Subaward Best Practices

- Data Protection/Management (e.g. NDA)
  - Consider with your Legal Counsel Non-Disclosure Agreement (NDA) to protect data
    - SBIR/STTR Data Protection protects against disclosure by the Government
- Should negotiate how to manage and commercialize intellectual property
  - Assignment of patent rights cannot be a consideration of the award! Non-profits and Small Businesses are entitled to their Bayh-Dole rights. (*GTC 0024 & SBA SBIR Policy Directive*)
  - Commercialization Plan, IP Management Plan, Inter-institutional agreement, Cross License, etc.

# Award Patent & Data Rights Key Events





# What is a Subject Invention?

- “Subject invention” means any invention of the Recipient conceived or first actually reduced to practice in the performance of work under this award...(GTC 0027(a)).
  - Must be **reported** to DOE within 2 months (GTC 0024(c)(1))
  - **Elect** in writing whether or not to retain title within 2 years (GTC 0024(c)(2))
    - Subject to Government rights, for example Government License (GTC 0024(e)) and Preference for United States Industry (GTC 0024(i))
  - **File** patent application within 1 year (GTC 0024(c)(3))
- “Invention” means any invention or discovery which ***is or may be patentable*** or otherwise protectable under title 35 of the United States Code...(GTC 0027(a)).
  - Patentable Subject Matter (35 U.S.C. 101)
    - Inventions implemented in software may be patentable and should be reported!
  - New (35 U.S.C. 102)
  - Unobvious (35 U.S.C. 103)
- All subject inventions must be reported even those which the Awardee did not file a patent application.

# Invention Reporting (iEdison)

- Must implement written agreement with employees to report inventions (*GTC 0024 (f)*)
  - Should have this even for non DOE funded work!
- Invention Disclosure Form [DOE F 2000.4 Record of Invention](#)
  - Any other format containing necessary information, typically awardee's own invention disclosure form
  - Grant Number (DE-SC...), Technical Detail, Inventor listing, Statutory Bars (e.g. Publications, on sale or public use) (*GTC 0024 (c)(1)*)
- Disclose in iEdison **within two months** after the inventor discloses it in writing (*GTC 0024 (c)(1)*)
  - Should leverage your existing invention management process
  - Recommended to create an iEdison account now
  - May report inventions at any time, even after closeout.
- Must disclose and elect 60 days before any Statutory Bars (*GTC 0024 (c)(2)*)
  - any publication, on sale or public use of the invention
  - notify DOE of the acceptance of any publication, on sale or public use

# Invention Reporting Mistakes

- Not reporting a subject invention
  - Report it ASAP!
    - Agencies may grant extensions to remedy late reporting
      - Consider good faith actions in granting extension
    - Ensure clear title
    - Further delay will not help
    - Forfeiture of patent rights for unreported inventions (*GTC 0024 (d)*) (*Campbell Plastics v. Brownlee*)
    - DOE has annual audit programs to identify and demand title to unreported inventions
- USPTO Filings != Invention Report to DOE
  - Must disclose the invention report directly to DOE
  - DOE is not notified of USPTO Filings
    - Invention report would be late anyway!
  - Invention reports to iEdison are not filings at USPTO
    - Not provisional, cannot be converted, etc.

# Statutory Bars

- Invention disclosure must identify any publication, on sale or public use of the invention (*GTC 0024 (c)(1)*)
- Recipient will promptly notify DOE of any statutory bars (*GTC 0024 (c)(1&2)*)
  - Will shorten election period
- Myths (Discuss with your Patent Counsel)
  - As long as you file within a year, you won't lose patents rights after publishing
    - Potential loss of both foreign and domestic patent rights
  - Publish or perish!
    - False Dichotomy
    - Patent, Publish and Profit!

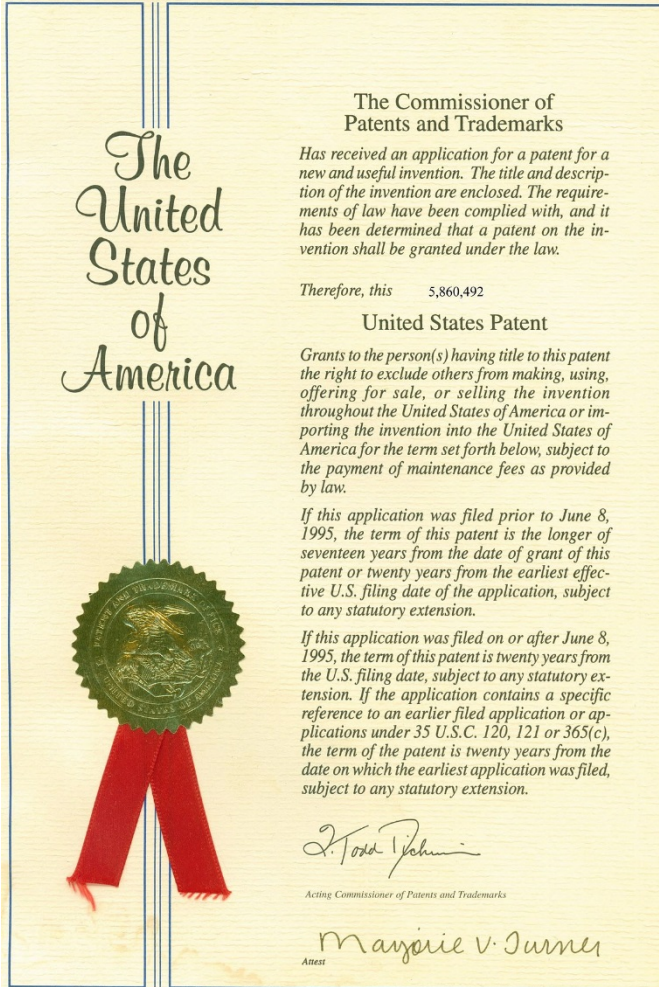
Pop Quiz!

# Final Report as an Invention Disclosure Report



- Very likely a late reporting
  - Invention must be reported two months of receipt by inventor
  - May result in forfeited rights to inventions
- Typically, not a clear description of each invention
- Causes confusion as may contain multiple inventions
- May include inventions that are not subject inventions (conceived and first reduced to practice outside of the performance of the award)

# Provisional Patent Application as an Invention Disclosure Report



- May be a late reporting
  - Invention must be reported within **two months**
  - May be appropriate if awardee reporting office was just made aware of invention and a statutory bar!
    - Coversheet provisional?
  - May result in forfeited rights to inventions



# Your Own Invention Disclosure Form as an Invention Disclosure Report

**Invention Disclosure Form**  
Polsky Center Technology Commercialization & Licensing | University of Chicago  
<http://tech.uchicago.edu>

This form contains the minimum information needed for us to effectively evaluate your disclosure in most cases. If a particular section does not seem to apply to what is being disclosed, please call our office at (773) 702-1692 to discuss. Feedback regarding the usability of this form is welcome. Please send comments to Rose Jones at [rjones@tech.uchicago.edu](mailto:rjones@tech.uchicago.edu).

Do you plan to publish or publicly present any aspect of the invention within the next two weeks? Yes  No

**1. TITLE OF INVENTION**  
Is this invention related to any inventions you have previously disclosed? Yes  No   
If yes, please describe the previously disclosed technology.

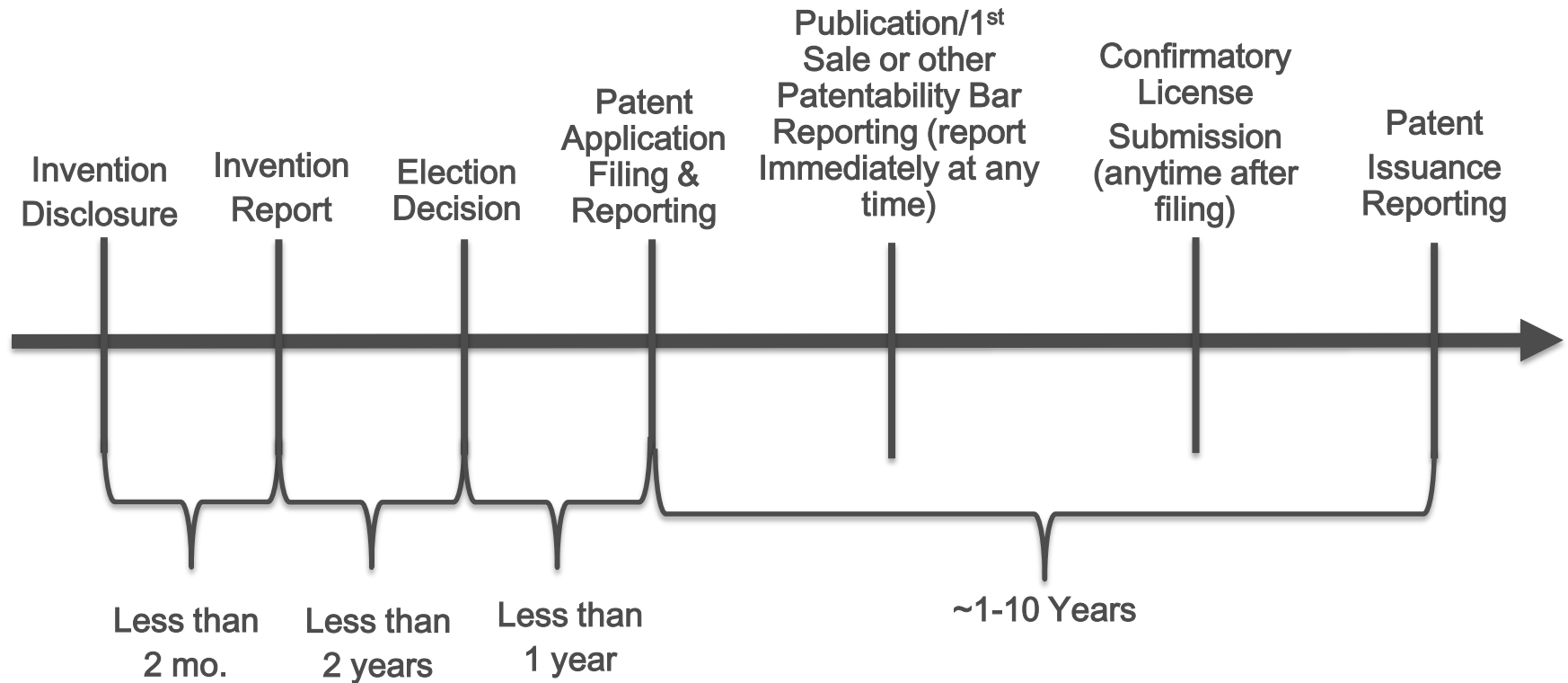
**2. FUNDING: Government, not-for-profit, or corporate support**  
Was the invention/discovery conceived or first reduced to practice in the performance of work under any sponsorship? Sponsorship can be in the form of a grant or contract from a government agency such as NIH, NSF, etc., a corporation, or a not-for-profit private foundation. Obligations to such sponsors may exist. Please include grant numbers, internal University of Chicago reference numbers or titles where appropriate. (Manuscript "Acknowledgment" sections are appropriate for cutting and pasting into this section.)

- Typically the best option
- Must have all required information
- Facilitates timely invention reporting
- Needs to be reported as a PDF, but may be any format, including an internal webpage





# Invention Reporting Timeline



- *\*DOE may extend any due dates (including invention reporting) with substantive justification.*

# Patent Filing

- Must provide agency with a copy of each application and filing information (*GTC 0024 and award checklist*)
- Must provide agency with a [confirmatory license](#) (*GTC 0024 (f)(1)*)
  - iEdison/NIH confirmatory license is acceptable
- Must include a Government Interest Clause in Application (*GTC 0024 (f)(4)*)
  - “This invention was made with Government support under (identify the award) awarded by (identify DOE). The Government has certain rights in this invention.”
- Must notify agency of any decision to discontinue prosecution of any patent application (*GTC 0024 (f)(3)*)
- \*\*USPTO does provide micro and small entity discounts \*\*

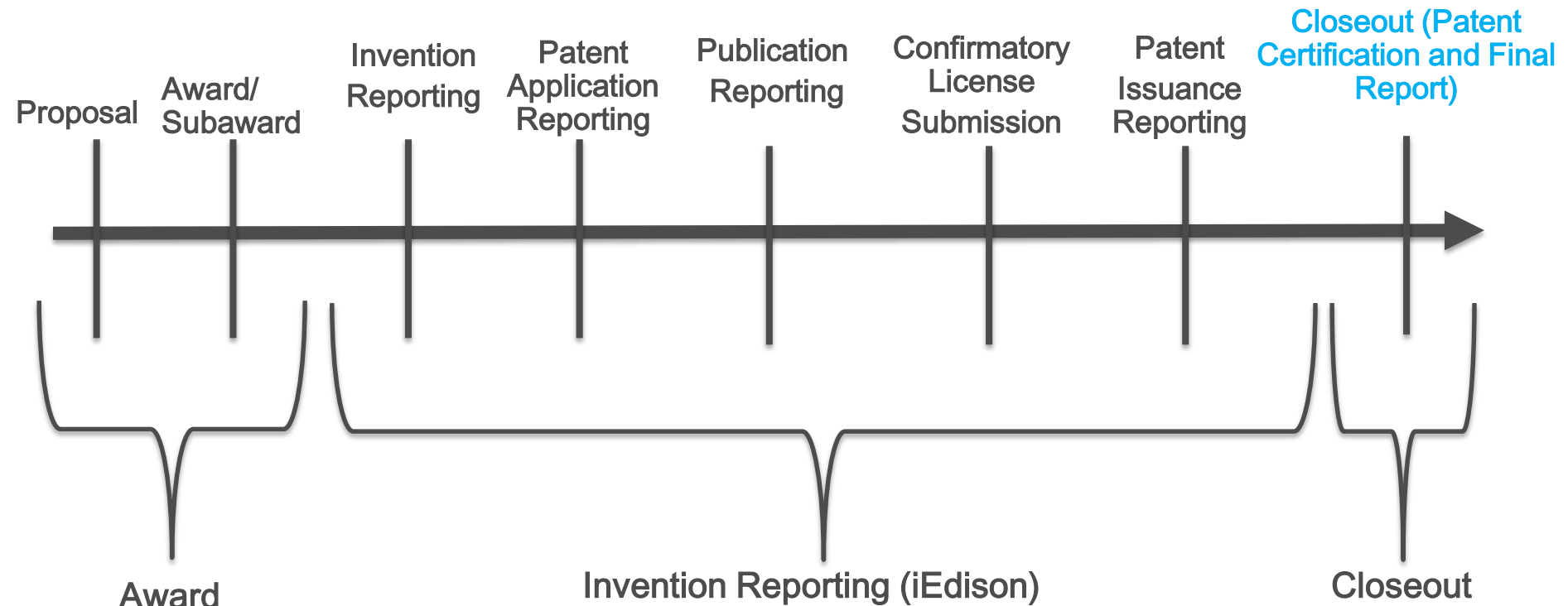
# Patent Filing Fee Allowability (\$15K)

- Patent Filing Fees may be allowable (2 CFR §910.352) if authorized by award document
  - Phase I grant funds may not be used to pay patent filing fees and related filing expenses for the first U.S. patent for subject inventions developed under the Phase I project. (FOA)
  - With justification, Phase II grant funds may be used to pay up to \$15,000, as a direct cost only, in patent filing fees and related filing expenses for the first U.S. patent for inventions developed under the Phase I or Phase II projects. In the event some or the entire amount listed is not expended on a patent filing, the remaining funds may be budgeted to other allowable project costs. (FOA)

# iEdison Contacts

- **Website: <https://era.nih.gov/iedison>**
- **For system issues with iEdison, please contact:**
  - eRA's iEdison Help Desk  
Toll-free: 1-866-504-9552;  
Phone: 301-435-1986;  
[edison@od.nih.gov](mailto:edison@od.nih.gov)
  - The Help Desk hours are Mon-Fri, 7 a.m. to 8 p.m. ET.
- **DOE Invention Reporting Support**
  - **Maritza Rodriguez**  
iEdison Lead  
9800 S. Cass Ave  
Lemont, IL 60439 , US  
[Maritza.Rodriguez@science.doe.gov](mailto:Maritza.Rodriguez@science.doe.gov)  
Phone : (630) 252-2165  
Fax : (630) 252-2779

# Award Patent & Data Rights Key Events



# Closeout- Invention Certification

- Invention Certification
  - Certify all inventions are reported by DOE S-number or iEdison Invention Number
    - If you do not have an S-number or iEdison number, was the invention reported?
  - Certified inventions should match list of inventions reported in iEdison
  - Need certification from subawards
    - Prime may certify or get separate certifications
  - Form no longer requires performance period! (Common error)
  - Must use Adobe acrobat free or higher.


Invention Certification (002).pdf - Adobe Acrobat Pro DC

File Edit View Window Help

Home Tools Document 1 / 2 Sign In

DOE F 2050.11  
(10/17)  
(All Other Editions Are Obsolete)

OMB Control No. 1910-0800  
Expiration Date: 10/31/2021

  
**Department of Energy**

**Invention Certification For Federal Award**

**Prime Contractor Name:** Acme Cort  
**Prime Contract Number:**  
**Task Order Number:** Not Applicable  
**Certifying Entity Type:** Certification by Prime Contractor  
**Certification Type:** Final Certification

This certification is the final and complete patent certification submitted by the undersigned and covers all subject inventions developed or first reduced to practice in the performance of the above identified task order, subcontract or contract, except for any subcontracts listed below as not being included in this certification.  
Contractor hereby certifies that all subject inventions have been identified and disclosed as required by the patent clause of the applicable subcontract or contract.

**Subcontractor(s):** Subcontractor(s) used to perform experimental, developmental or research work

**Research and Development Subcontractor:**  
Subcontractor Name:  
Subcontract Number:  
Invention Certification: Included in this certification  
Additional Subcontractor Remove Subcontractor

**Listing of Subject Invention(s):** Listed Below

**Subject Invention:**  
DOE S-Number or iEdison Invention Report Number/EIR Number:  
Corresponding Patent/Application Number(s):  
Inventor(s):  
Title:  
Additional Invention Remove Invention

# Final Report Data Rights

- The Government has unlimited data rights in all unmarked data delivered.
  - Awardee may add SBIR/STTR Data Markings with contracting officer approval (GTC 0025(e))
- Typically the only data (broadly defined) deliverable for an SBIR/STTR Award is the final report.
- Final Reported marked as SBIR/STTR Data will be protected for at least 4 years.
- Must not contain any Protected Personally Identifiable information, limited rights data (proprietary data), restricted computer software, classified information, information subject to export control classification, or other information not subject to release. (Reporting Checklist(5)(d)) See also GTC 0025(c)(2).

# Extending SBIR/STTR Data Protection

- DOE OSTI Website will notify awardees when the final report will be published
  - Please report Phase III awards to DOE's Office of Scientific and Technical Information (OSTI).
    - SBIR Phase III Definition (SBA Policy Directive)
      - Work that derives from, extends, or completes an effort made under prior SBIR funding agreements, but is funded by sources other than the SBIR Program.
      - Phase III work is typically oriented towards commercialization of SBIR research or technology.
  - OSTI **should** automatically extend the data protection for previous final reports for Phase II SBIR/STTR Awards



# Final Report SBIR/STTR Rights Notice (JAN 2015)

- These SBIR/STTR data are furnished with SBIR/STTR rights under Award No. \_\_\_\_\_ (and subaward \_\_\_\_\_, if appropriate). Unless the Government obtains permission from the Recipient otherwise, the Government will protect SBIR/STTR data from non-governmental use and from disclosure outside the Government, except for purposes of review, for a period starting at the receipt of the SBIR/STTR data and ending after 4 years, unless extended in accordance with 48 CFR 27.409(h), from the delivery of the last technical deliverable under this award. In order for SBIR/STTR data to be extended by an SBIR/STTR Phase III award, the Recipient must properly notify DOE's Office of Scientific and Technical Information (OSTI) before the end of the previous protection period. After the protection period, the Government has a paid-up license to use, and to authorize others to use on its behalf, these data for Government purposes, but is relieved of all disclosure prohibitions and assumes no liability for unauthorized use of these data by third parties. This notice shall be affixed to any reproductions of these data, in whole or in part.

# Final Report Copyright Legend

- **If including Copyrighted Notice, must include**
  - This work was generated with financial support from the U.S. Government through Contract/Award No. \_\_\_\_\_, and as such the U.S. Government retains a paid-up, nonexclusive, irrevocable, world-wide license to reproduce, prepare derivative works, distribute copies to the public, and display publicly, by or on behalf of the Government, this work in whole or in part, or otherwise use the work for Federal purposes.
- **Third Party Copyrighted Material**
  - Must remove from final report

# Software Reporting

- Scientific/technical computer software is to be announced per instructions provided in the award package and the Federal Assistance Reporting Requirements Checklist (DOE F4600.2). The AN 241.4 and instructions are available on E-Link at <https://www.osti.gov/elink/241-4.jsp>. Open Source Software may be submitted and announced through DOE CODE (<https://www.osti.gov/doecode/>).
- For software that is not open source, the AN 241.4 is to be filled out online and submitted electronically, with a printed copy or note accompanying the shipped software package. Software (including user guide or manual) must be submitted on computer disk (CD/DVD) shipped via regular mail to: Energy Science and Technology Software Center, P.O. Box 62, Oak Ridge, TN 37831 (FACT SHEET: Scientific and Technical Software)

# Key Takeaways

1. Properly mark your data
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3. Watch Statutory bars (publications, on-sale, and public use) and inform both your attorney and DOE ASAP

# Questions?

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# What is Data?

- “Data” means **recorded information**, regardless of form or the media on which it may be recorded. (GTC 0025(a))
  - Specifically **includes technical data and computer software**.
  - Specifically excludes information incidental to award administration, such as financial, administrative, cost or pricing or management information.
- “Technical data” means recorded information of a scientific or technical nature (including computer databases and computer software documentation). (GTC 0025(a))
- **Typical SBIR/STTR Data**
  - Deliverables to Government:
    - Final Report (appropriately marked)
    - Generated Software (appropriately marked)
    - *Do not deliver data developed outside of the award! (privately developed, limited rights or restricted computer software)*
  - Copyrighted Data first produced in the performance of this contract (e.g. Publications or Software) (GTC 00025(C))
    - Government License – paid-up license “by or on behalf of the Government”
      - Recipient shall affix the applicable copyright notice of 17 U.S.C. 401 or 402 and an acknowledgment of Government sponsorship (including award number).