



OFFICE OF THE VICE PRESIDENT –
RESEARCH & INNOVATION

RESEARCH POLICY ANALYSIS & COORDINATION
1111 Franklin Street, 11th Floor
Oakland, California 94607-5200
Web Site: <http://www.ucop.edu/research/tpac/>
Tel: (510) 587-6031
Fax: (510) 987-9456

March 29, 2021

Via email to: marcfisher@berkeley.edu

Marc Fisher
Vice Chancellor, Administration
University of California, Berkeley
235 California Hall
Berkeley, CA 94720-1500

Subject: Exception to University Patent Policy: UC Berkeley Research Infrastructure Commons

Dear Assistant Vice Chancellor Mimura:

This letter addresses UC Berkeley’s request for an exception to the UC Patent Policy for template agreements to be used with the Research Infrastructure Commons (“RIC”), a collection of core facility recharge centers with published rates and subject to [UC Berkeley Recharge Centers – Policy and Procedures](#) (“UCB Recharge Policy”).

Background: The UCB Recharge Policy was established to ensure, among various campus recharge units, compliance with government regulatory costing principles and University accounting policies. Under this policy, recharge activities performed by campus units for internal and external consumers must meet defined criteria.¹ One such criterion notes that goods or services should not be provided to external consumers except when they are specialized or unique and their existence is primarily to support the academic mission of the campus.² In such circumstances, UC Berkeley would like to allow companies limited access to utilize certain core user facilities within the RIC (“Shared User Facilities”) for a mutually agreeable and predefined purpose subject to terms and conditions found in the Berkeley Research Infrastructure Commons’ Access Agreement (“Access Agreement”).

The RIC will also offer a Routine Services Agreement under which University staff would provide routine and non-inventive services to company (“Services Agreement”). The Services Agreement allows for company ownership of deliverables as itemized in each executed agreement.

¹ UCB Recharge Policy at Section E.

² Id at subparagraph x.

Conflict with UC Patent Policy: The University Patent Policy states:

“An agreement to assign inventions and patents to the University, except those resulting from permissible consulting activities without use of University facilities, shall be mandatory for all employees, for persons not employed by the University but who use University research facilities, and for those who receive gift, grant, or contract funds through the University. Such an agreement may be in the form of an acknowledgment of obligation to assign.”

The Access Agreement does not require external users accessing the RIC Shared User Facilities to sign an acknowledgment to disclose and assign to the University all rights in inventions developed during their use of University research facilities (“Patent Acknowledgement”). Further, the Access Agreement gives company users ownership of certain inventions created in Shared User Facilities as defined in the following non-standard intellectual property provision:

2.2 Company Inventions: Subject to Article 3, the following inventions shall be owned by Company and are “Company Inventions”:

- 2.2.1** any new invention or discovery conceived solely by Company prior to the Effective Date and first actually reduced to practice solely by Company Users in the performance of Access to Shared User Facility;
- 2.2.2** any new invention or discovery conceived solely by Company Users in the performance of Access to Shared User Facility and first actually reduced to practice solely by Company after the Effective Date and without the use of University facilities or resources; and
- 2.2.3** any new invention or discovery conceived and first actually reduced to practice solely by Company in the performance of the Access to Shared User Facility.

Based upon our discussions, I understand that:

- 1) It has been challenging for the campus to negotiate core facility access and service agreements with companies, and consequently, core facilities are incurring financial hardship. This problem has been exacerbated by the COVID pandemic;
- 2) The campus envisions the RIC Access Agreement template to be non-negotiable, streamlined and efficient to implement;
- 3) Companies are not likely to accept the RIC Access Agreement if company users are required to sign the Patent Acknowledgment;
- 4) Inventions are not anticipated given the procedural nature of the permitted access to the facilities;
- 5) The campus has an existing administrative infrastructure in place to monitor compliance with the UCB Recharge Policy, including but not limited to, (i) campus units qualifying as

- recharge facilities, (ii) rates for external users, and (iii) alignment of recharge activities with the University's missions;
- 6) The RIC Routine Service Agreements and Access Agreements will be executed by the campus Business Contracts and Brand Protection Office; and
 - 7) The RIC Routine Service Agreements and Access Agreement templates have been reviewed by the campus Office of Ethics, Risk and Compliance Services.

Exception to UC Patent Policy: In light of the statements above, this letter is to inform you that your request for an exception to the UC Patent Policy to (i) allow for the non-standard intellectual property language found in the template Access Agreement (as shown above), and (ii) waive the requirement that company users accessing Shared User Facilities under an executed Access Agreement sign the Patent Acknowledgement, is approved, subject to the following conditions:

- 1) The RIC will comply with the UCB Recharge Policy;
- 2) The campus must ensure that administrative processes are properly implemented to meet its intellectual property obligations to companies under the Access Agreement and Service Agreement, as well as to other third parties, including material providers, disclosers of confidential information, and external sponsors of research. To this end, the RIC will develop and employ standard operating procedures and management tools (which could include implementation checklists, informed consent documents, participant training and orientation, etc.) to enable the campus to avoid conflicts with other contractual commitments of the campus. Examples:

2.a.) Activities permitted: The RIC must have in place a plan for monitoring, and must diligently monitor, proposed scopes of work to be conducted in Shared User Facilities by company users. Such scopes of work must not overlap with ongoing research conducted by UC Berkeley researchers in shared or adjacent space. Such scopes of work should not include use of University Background Intellectual Property as defined in the Access Agreement.

2.b.) No 'wandering': The RIC must have in place a plan for preventing company users from accessing UC Berkeley research facilities outside of the Shared User Facility named in the Access Agreement. Company users will be made aware (through the Access Agreement) that inventions made outside of the scope of the permitted access are subject to University's Patent Policy and University's obligations to external sponsors as deemed appropriate in the University's sole discretion.

2.c.) Firewalls: UC Background Intellectual Property, third-party materials, and gift, contract³ or grant funding (from federal agencies or other sources) must not be used in the performance of Services or company user's access to Shared User Facilities.

2.d.) Deliverables: All executed Service Agreements must include clearly described Deliverables. Such Deliverables must not include patent rights.

³ Exempting contract funding from the relevant, executed Access or Service Agreement

- 3) Changes to the intellectual property language in the Access Agreement must be approved by RPAC;
- 4) The campus must ensure that the obligations of the University under the Tax Reform Act of 1986 are satisfied in order to maintain the tax-free status of its bonds, should any projects under this arrangement make use of facilities that are funded by tax-free bonds. Any such projects must either comply with the safe harbor provisions of the Tax Reform Act of 1986 or meet the private business use limits established by the IRS. Guidance regarding this subject is provided in OTT Operating Guidance Memo 00-01 (<http://researchmemos.ucop.edu/php-app/index.php/site/document?memo=T1RULTAwLTAx&doc=243>).
- 5) The campus has secured the concurrence of the Assistant Vice Chancellor for Research of IP & Industry Research Alliances, regarding the ownership of IP by company users under the RIC Access Agreement.

If you have any questions, please feel free to contact me at Randi.jenkins@ucop.edu.

Sincerely,



Randi Jenkins, J.D.
Senior Research Policy Manager
Research Policy Analysis & Coordination
University of California Office of the
President