



UIC Technology Corner

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What is Bayh-Dole?

History

In 1945, Vannevar Bush originated a report, "Science-The Endless Frontier" in which he recognized the value of university research as a mechanism to stimulate the economy. This report became the foundation for the formation of the National Science Foundation (NSF), the National Institute of Health (NIH) and the Office of Naval Research (ONR). In the 1960's and 1970's there was an inability of the Federal Government to transfer its technologies commercially. This was due to the fact that the Federal government had no government-wide policy regarding ownership of inventions originating with funded dollars. In addition to not relinquishing ownership, the Federal Government would only allow non-exclusive licenses. Industry felt that this policy ultimately would prove unprofitable. Even though federal dollars were being spent on research the commercialization aspects were trivial. By 1980, there were approximately 30,000 patents and only a small percentage of these led to new products. The government's legislators and administration recognized a need for change.

Enactment

Legislators Birch Bayh of Indiana and Robert Dole of Kansas co-sponsored a piece of legislation that became law on December 12, 1980. Thus, Bayh-Dole was enacted into law. The Department of Commerce has been designated as the commercialization arm of the Federal Government and is responsible for overseeing the process.

Bayh-Dole has created incentives for the government, industry, small businesses and universities. Some of the more important provisions of Bayh-Dole are:

- A uniform patent policy was established in which ownership and control of patents belonged to the institution not the federal funding agency.
- Universities and commercial entities were encouraged to share and collaborate. Exclusive licenses could be given to corporations making it easier for them to proceed with the development of new inventions.
- Universities could elect to retain title to inventions even though funded by Federal dollars.
- Small businesses would be given preference in licensing if they had the resources and ability to bring the invention to commercialization.
- Universities must share income with inventors.

Results

There are now more than 200 universities engaged in technology transfer, eight times more than in 1980, as evidenced by the membership of AUTM (Association of University Technology Managers).

Technology transfer in FY 1999 (the licensing of innovations by U.S. universities, teaching hospitals, research institutes, and patent management firms) added about \$40 billion to the U.S. economy and supported 260,000 jobs. It has helped to spawn new businesses, create industries, and open new markets.

Web Resources

[Chicago Biotech Network](#)

[Calendar of Midwest technology –related events](#)

[AUTM](#)

[AURRP](#)

[Licensing Executive Society](#)

[Chicago Technology Park](#)

[The Illinois Coalition](#)

[Illinois Medical District](#)

[IL Dept. of Commerce & Community Affairs](#)

[OVCR](#)

[UIC- Office of Technology Management](#)

[UIUC- Office of Technology Management](#)

[United States Patent and Trademark Office](#)

[European Patent Office](#)

Download copies of:
[Confidential Disclosure Agreement](#)

[Invention Disclosure Form](#)

Furthermore, a 198% increase in new U.S. patent applications and a 133% increase in licenses from FY 1991- FY 1999 for U.S. universities indicate that the transfer of technology from academic institutions to the private sector will continue to grow in the next decade, generating future economic growth and health benefits.

****Results obtained from a survey performed by The Association of University Technology Managers [AUTM](#).**

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Planning for Successful Protection of Intellectual Property

Research may result in the creation of intellectual property which you, the University, and possibly the sponsors of research have an interest. A few key points:

- Keep good laboratory records and maintain them. They can be used to prove the date of conception and show that you and/or others have continued to develop the idea.
- Understand the intellectual property terms and provisions of all sponsored research, whether it is industry or government sponsored.
- Disclose your invention before you submit an abstract, publication, presentation, poster or grant application.

GOOD LABORATORY RECORDS

What are "good laboratory records"?

Two key issues for a patent are the date of conception and the enablement of the invention. Well-maintained lab notebooks are one way to record these and can be used in court to establish fact. Lab records can also solve questions about who is an inventor and who is not, who contributed what portion to the invention, and so on. For activities involved in materials transfer agreements, these records can show that a company's research materials,

such as a compound, were properly used and any invention ownership issues can be resolved quickly. Here are a few guidelines:

- Use permanently bound notebooks.
- Make legible and complete entries.
- Update in ink.
- Record the date and initials/names of the contributor on each page including sketches, photos or other additions.
- Use a new page for new experiments.
- Use a diagonal line to mark out blank portions of pages.
- If you make an error in the entry, draw a single line through with an initial and date. Don't erase or completely cross it out.
- Record all observations, even if the significance is not known.
- Record any thoughts on future experiments that should be done.
- Other data from equipment should be entered when possible and with handwritten initials and date. Electronic/computer files, diskettes, and similar data may be useful, but do not carry as much proof as the lab record because they may be easier to alter.
- Have the records "witnessed" with signature and date by someone who can understand the science or content. Do not use coworkers, supervisors, or other collaborators in the research. An objective witness is best.

INTELLECTUAL PROPERTY PROVISIONS AND TERMS

What are typical intellectual property provisions for industry sponsored research?

Many agreements give the sponsor an option to license any inventions created under the research contract. This option

usually has a time limit of a few months and gives them time to decide whether they are interested. If they are not interested, or they do not make a reasonable offer, the OTM will seek another licensee.

DISCLOSE YOUR INVENTION

Where are the guidelines for managing the intellectual property aspect of research?

As you prepare a research agreement or grant application, consider the possibility that intellectual property may result from your work. All [UIC Standard Research Agreements](#) have provisions addressing the creation and management aspect of intellectual property derived from research. These should be fully understood by all parties. Any other understandings, written or verbal, should be embodied in the agreement and reviewed by the Office of the Vice Chancellor for Research to avoid any problems. •



For further information on the technology transfer process at University of Illinois, contact the Office of Technology Management- (312) 996-7018, or visit the [OTM website](#).

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