USC Stevens Center for Innovation  
Operational Procedure:  
Release of Patent Rights to Inventors

Applicability

If USC elects, whether before or after filing patents applications, not to commercialize a USC researchers’ invention in either the U.S. or foreign jurisdictions or both this procedure will apply to the release of patent rights to the inventors.

This procedure does not apply to government (U.S. or State) funded inventions. In those cases, USC is obligated to release its rights back to the government and, therefore, any transaction regarding ownership of the invention will be subject to the rights of the U.S. or state government, as applicable. Additionally, this policy may be subject to other limitations based on contractual restrictions related to foundation or corporate funding of the underlying research.

Procedure for Release of Patent Rights

In accordance with the USC IP Policy, the Deans of the inventors’ schools will be given ten (10) days to determine if they wish to fund the costs of commercialization. If the Deans decline to fund, USC Stevens Center for Innovation initiates release to inventors who have expressed an interest in obtaining the patent rights. The form Patent Rights Release Agreement used is attached. Stevens process is described in more details in the attached attachment ‘A-2’.

The release is subject to the rights of non-federal research sponsors, which may require written pre-approval. If the inventions are the subject of additional research within USC, then additional reviews and/or approvals may be required, including a review by the Conflict of Interest in Research Committee.

Terms of Release

The following is a list of a few important business terms in the Patent Rights Release Agreement:

- The release only applies to existing patentable inventions that have already been disclosed to USC. It does not apply to any future inventions or undisclosed inventions.
- Patent prosecution files, if any, will be transferred to the inventor’s counsel upon request, and the inventors will be responsible for all future costs.
- The university retains the right for itself and other non-profit and governmental institutions to use the released inventions for research, education and patient care or clinical purposes.
- The Patent Rights Release only pertains to the currently disclosed elements of the invention. Any future development of the invention will require a new disclosure to determine any USC interests in the new developments.
PATENT RIGHTS RELEASE AGREEMENT

This Patent Rights Release Agreement ("Agreement") is effective as of __________________ ("Effective Date") between the University of Southern California ("USC") and the Inventor(s) identified below when signed by all parties. In the event of a conflict between the Transaction-Specific Terms below and other terms of this Agreement, the Transaction-Specific Terms shall govern.

1. **Transaction-Specific Terms and Definitions.** Capitalized terms in quotation marks in the below grid mean and include the information provided in the grid for that term.

<table>
<thead>
<tr>
<th>A. “Inventors”</th>
<th>Name</th>
<th>USC School/Department</th>
<th>Home Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>B. “Invention Disclosure”</td>
<td>USC Tech ID</td>
<td>Invention Title</td>
<td>“USC Inventors”</td>
</tr>
<tr>
<td>C. Inventions solely owned by USC?</td>
<td>[Yes/No]. [If no, identify co-owners.]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Patents filed prior to Effective Date?</td>
<td>[Yes/No]. If yes, Sections E and F below must be completed. Otherwise, skip to G.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E. “Released Patents”</th>
<th>Application No.</th>
<th>Date of Filing</th>
<th>USC Inventors</th>
</tr>
</thead>
<tbody>
<tr>
<td>F. Are rights for all countries being released?</td>
<td>[Yes/No]. [If no, list countries being released and include that list in the Assignment.]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G. Research sponsors for Inventions</td>
<td>[list third party sponsors and identifying information for grant, gift or other funding]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H. Special Provisions</td>
<td>[None or Describe]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The following sections are to be completed by the Inventors</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

I. Inventors Point of Contact (for information to/form USC)

K. “Future Research” Will the Inventors or any Inventor be conducting additional research within USC (either ongoing or contemplated future research) that uses the invention subject to this Agreement? [Yes/No]

If Yes, explain:

2. **Additional Definitions**

“Inventions” means the inventions described in the specifications of the Released Patents or, if no patents have been filed, the inventions as disclosed in the Invention Disclosure, and does not include inventions, improvements, modifications, or other changes or additions made or disclosed to USC after the Effective Date.

“Released Patents” means (a) the United States and/or foreign patents and patent applications identified in Section 1; (b) all divisionals, continuations, and such claims of continuations-in-part as are entitled to claim priority to the aforesaid patents and/or patent applications, and all reissues, reexaminations, extensions of, and foreign counterparts; and (c) any patents that issue with respect to the aforesaid patent applications.
3. **Release Terms**

3.1 **Representations and Warranties.** The Inventors represent, warrant and covenant to USC:

(a) **Invention and Future Research Fully Disclosed.** The Invention has been fully disclosed in the Invention Disclosure and any ongoing or contemplated research being conducted by the Inventors or any Inventor within USC that may use the Released Patents has been disclosed in Section 1. The scope of the inventions covered by the Released Patents will not be broadened in prosecution of the Released Patents.

(b) **No Assignment of Interests.** No Inventor has assigned their interest in the Inventions to any person or entity other than USC, and no Inventor is aware of any third party with an interest in the Inventions (other than sponsors and co-owners identified in Section 1).

(c) **No Representations or Warranties from USC.** USC has not made any representation or warranty of any kind with respect to the Inventors, Inventions, or Released Patents, including without limitation, any representation or warranty regarding the validity, enforceability, or scope of any Released Patents, or that the practice of the Released Patents will be free from infringement of other patents or other intellectual property rights of USC or third parties; nothing in this Agreement shall be deemed to be such a representation or warranty.

In the event of any breach of Section 3.1, USC may rescind this Agreement, in which case the Inventors will immediately assign the Released Patents back to USC without payment of any consideration by USC.

3.2 **Grant of License to USC.** Inventors and each of them hereby grant USC a worldwide, fully paid-up, nonexclusive, royalty-free, irrevocable license to use and sublicense to any non-profit or governmental institution the Inventions and Released Patents for educational, research, and patient care and clinical activities.

4. **USC Obligations**

4.1 **Release by USC.** USC agrees to assign to the Inventors USC’s interest in the Inventions and Released Patents, subject to the terms and conditions of this Agreement and, if a patent application has been filed prior to the Effective Date, to execute and deliver the Assignment in the form attached as Attachment A-1 hereto promptly after the Effective Date.

4.2 **Transfer of Files.** If a patent application has been filed, USC will promptly, upon request of the Inventors, instruct its prosecution counsel to transfer its patent files regarding Released Patents to Inventors’ patent prosecution counsel.

5. **Inventor Obligations**

5.1 **Continuing Prosecution of Released Patents.** Inventors are responsible for directing all, if any, future patent prosecution and maintenance activities with respect to the Released Patents and the payment of all future expenses and fees relating to the prosecution, issuance and maintenance of the Released Patents.

5.2 **Use of USC Facilities and Resources.** Inventors’ use of the facilities or the resources of USC for research, development, or commercialization of the released Inventions is subject to prior approval by USC and any conflicts management conditions required by USC.

5.3 **Sponsor Compliance.** Inventors agree to comply with all applicable reporting, royalty sharing and other requirements of industry or other third party sponsors of research that resulted in the Inventions.
6. **Controlling Law; Jurisdiction and Venue**

This Agreement will be construed in accordance with the laws of the State of California, without regard to its conflict of laws rules. Any claim will be brought and the parties submit to jurisdiction of the California or Federal court in Los Angeles, California, in which the party bringing the action files.

7. **Limitation of Liability**

IN NO EVENT WILL USC BE LIABLE TO INVENTORS OR ANY INVENTOR FOR ANY INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES OF ANY KIND, LOST GOODWILL, LOST PROFITS, LOST BUSINESS AND/OR ANY INDIRECT ECONOMIC DAMAGES WHATSOEVER, REGARDLESS OF WHETHER SUCH DAMAGES ARISE FROM CLAIMS BASED UPON CONTRACT, NEGLIGENCE, TORT (INCLUDING STRICT LIABILITY OR OTHER LEGAL THEORY), A BREACH OF ANY WARRANTY OR TERM OF THIS AGREEMENT, AND REGARDLESS OF WHETHER USC WAS ADVISED OR HAD REASON TO KNOW OF THE POSSIBILITY OF INCURRING SUCH DAMAGES IN ADVANCE.

8. **Entire Agreement**

This Agreement is the entire agreement between the parties concerning the subject matter addressed in this Agreement and no amendment, modification, or extension will be binding unless in writing executed by all parties. No rights are granted to Inventors other than as expressly granted in this Agreement.

**University of Southern California**

________________________
Randolph Hall,
Vice President of Research

Date: _____________

**Inventors**

________________________
[Inventor name]

Date: ______________

________________________
[Inventor name]

Date: _____________
ATTACHMENT A-1

ASSIGNMENT

WHEREAS, the University of Southern California, having a place of business at ______________________________ (hereinafter referred to as “University”), is an assignee of U.S Patent Application No. “________________”, entitled ____________________________ (the “Released Patent Application”); and

WHEREAS, ________________, an individual whose address is ________________, and ________________, an individual whose address is ________________, (hereinafter referred to as “Inventors”), desire to own University’s entire right, title, and interest in and to the Released Patent Application;

NOW THEREFORE, be it known that, for good and valuable consideration, receipt of which is hereby acknowledged, University hereby sells, assigns, transfers and sets over to each of the Inventors, their lawful successors and assigns, University’s entire right, title, and interest in and to the Released Patent Application. University hereby authorizes and requests the Commissioner of Patents and Trademarks of the United States to issue all Letters Patent for this Released Patent Application to Inventors, their successors and assigns, in accordance with the terms of this Assignment. The assignment made hereby is subject to Inventors complying fully with the provisions of the Patent Rights Release Agreement executed by University and Inventors concurrently with this Assignment.

AND, UNIVERSITY HEREBY further represents, warrants and covenants that University has the full right to convey the interest assigned by this assignment, University will take all action and execute all documents necessary to perfect the interest assigned hereby, and University has not executed and will not execute any agreement in conflict with this Assignment.

IN TESTIMONY WHEREOF, each party has caused its authorized representative to execute this Assignment.

UNIVERSITY OF SOUTHERN CALIFORNIA
By _____________________________
Randolph Hall,
Vice President for Research
Date ____________________________

Inventors
By _____________________________
[Insert Name]
Date ____________________________

By _____________________________
[Insert name]
Date ____________________________
Stevens Review Process

Stevens will review and assess invention disclosures according to its normal processes. Ninety (90) days before a deadline which will terminate rights in a patentable invention such as the lapse of a provisional application or the expiration of the allowed time to respond to an office action, Stevens will inform all inventors in writing of its decision to discontinue prosecution of the intellectual property. Within one (1) week of this written notice, Stevens will meet with all inventors to determine if there is interest in taking on the patent prosecution costs and provide an estimate for the nearest filing required to maintain patent protection. Upon inventor request, if it is legally permitted to do so, Stevens will initiate this process for release and assignment of inventions articulated in this document.

If in the discretion of Stevens there is insufficient data upon which to make a decision in regard to patent protection, Stevens will collaborate with the inventors on refiling existing applications in order to maintain priority until such time as sufficient data can be obtained to properly assess the commercial potential of the technology.

If multiple inventors desire the technology and no agreement between inventors can be reached within thirty (30) days, Stevens will extend patent protection and negotiate non-exclusive licenses to each inventor with the obligation of reimbursing equal costs for the ongoing prosecution of related intellectual property.