



**Approving University Official(s):** Provost and Vice President for Research

**Responsible Office:** Innovation and New Ventures Office

**Effective date:** January 1, 2026

**Next review date:** January 1, 2029

## UNIVERSITY PATENT AND INVENTION POLICY

### Policy Statement

Any Invention by an Individual who:

1. made the Invention within the normal field of the Individual's employment responsibility and activity with the University, or

2. makes use of Northwestern University Resources,

is subject to the conditions of the University Patent and Invention Policy. Fulfillment of element "(1)" of this paragraph is made without regard to location or salary source, and specifically includes Individuals employed at affiliated hospitals and institutions.

### Purpose

The purpose of this policy is to:

1. define what Inventions and Research Property (RP) are subject to this policy;
2. define ownership rights to Inventions and RP subject to this policy;
3. stimulate the timely disclosure of Inventions to the Innovation and New Ventures Office (INVO);
4. describe basic principles of the patenting and technology-transfer responsibilities delegated to INVO; and
5. describe how proceeds from licensed Inventions and RP are distributed.

### Audience

All members of the Northwestern University Community.

## Definitions

*Application:* An application for a registered intellectual property right, including without limitation a patent application.

*Bayh-Dole:* U.S. legislation found at 35 U.S.C. §§ 200-212 pertaining to the reporting, ownership, patenting, and licensing of Inventions made under Federally Sponsored Research Agreements.

*Federally Sponsored Research Agreement:* Any grant or contract to conduct research or development at Northwestern University wherein the source of the funds is the U.S. Federal Government.

*Individual:* One or more members of the Northwestern University Community.

*Innovation and New Ventures Office (INVO):* The Northwestern University Office responsible for patenting and technology-transfer of Inventions and Research Property subject to this policy.

*Invention:* A machine, method or process, manufacture, composition of matter, design, fact or condition describing nature, or algorithm, that may or may not be patentable under the patent laws of the U.S. or a foreign jurisdiction.

*Inventor:* An Individual that made an Invention or created Research Property subject to this policy.

*Northwestern University Community:* Includes all University employees (including but not limited to full-time, part-time, contributed service, and Health Service Clinician faculty, and all staff), all students, and all appointees or visitors funded by the University and/or who use University facilities or materials in the process of Invention.

*Northwestern University Resources:* Includes private or governmental funds administered by the University; or the use of University space, materials, or facilities. Northwestern University Resources does not include use of the library.

*Research Property (RP):* (1) data, material, chattel, or information that arise from the research activities associated with an Invention; or (2) works of authorship that are integral to or embody an Invention. RP may include, but is not limited to, tangible materials, computer software, computer databases, prototype devices or equipment, engineering designs or drawings, integrated computer chips, mask works, audiovisual works, antibodies, genetically modified animals, and cell lines.

## Policy Implementation

### Preamble

Patentable inventions may result from research or educational activities performed by members of the Northwestern University Community. Northwestern University is committed to disclose and utilize ideas and discoveries for the greatest possible public good; to protect the rights of the University faculty, staff, and student body, as well as those of the institution itself; and to abide by the regulations of agencies providing funds for sponsored programs.

## **Applicability**

This policy applies to any Invention by an Individual who (1) made the Invention within the normal field of an Individual's employment responsibility and/or activity with the University, without regard to location or salary source (specifically including Individuals employed at affiliated hospitals and institutions), or (2) made use of Northwestern University Resources. Such an Individual is hereafter referred to as Inventor.

## **Limited exception for Health System Clinician Inventions**

The Feinberg School of Medicine created a faculty category, Health System Clinician. For Inventions made only by one or more Health System Clinicians, and not by any other members of the Northwestern University Community, the University will not assert rights in such Inventions if created without the use of Northwestern University Resources. For the avoidance of doubt, any Invention made by one or more Health System Clinicians who makes use of Northwestern University Resources shall be subject to the provisions of the University Patent and Invention Policy.

## **When to Disclose an Invention**

United States patent law permits the filing of a patent application within one year of publication; however, under foreign patent law, any public disclosure disqualifies the Invention from patent protection. Therefore, to protect academic priority as well as commercial priority, any Inventor making any Invention subject to this policy is encouraged to report it promptly in writing and in reasonable detail to the Innovation and New Ventures Office (INVO) via the University's disclosure web site preferably within 30 days of making the Invention. Public disclosure of the research results may affect patent rights.

## **Ownership of an Invention**

All Inventions to which this policy applies are owned by Northwestern University. Accordingly, Inventions to which this policy applies are hereby assigned to Northwestern University. For the avoidance of doubt, the ownership rights to an Invention are the exclusive property of the Inventor if the University has contributed nothing substantial or essential (as, for example, funds, space, materials, or facilities) to the conception or development of the Invention, and the Invention is outside the scope of the Inventor's normal field of employment responsibility and activity within the University. Where the University has entered into an agreement for a project sponsored by a government agency or third party, the terms of that agreement will govern the ownership of any Invention arising under that agreement.

Individuals may not assign, license, or otherwise transfer rights in Inventions that are subject to this Patent and Invention Policy to any other party; on the contrary, only the University may do so.

Individuals who enter into consulting or other agreements with parties outside of the University must ensure that such agreements contain no requirement to assign, license, or otherwise transfer rights in any Inventions to which this policy applies. For additional guidance in these matters, refer to the University's Policy on Conflict of Interest and Conflict of Commitment. The Individual's dean or center director and the Innovation and New Ventures Office must be notified of any patents or Inventions arising from external consulting agreements.

Where there is disagreement among Individuals, or an Individual and the University, as to ownership rights in an Invention, or the retention of rights by the University, the Vice President for Research, or a designate of the Vice President for Research, shall review the case in consultation with the Office of the General Counsel and provide a recommendation to the Provost, with supporting rationale, for resolving

the disagreement. Within thirty (30) days after the Provost issues a decision, appeals can be made to the President.

### **Registration of Intellectual Property Rights and Release of Intellectual Property Rights**

Following disclosure of an Invention to the University by an Inventor, the University will make reasonable efforts to determine the potential commercial use and/or patentability of the Invention and seek to make such contractual arrangements as may be appropriate for development of commercial use. When, in the judgment of the University, there appears to be sound basis for filing an Application, the University will file the Application at no expense to the Inventor. The University owns the Invention and any intellectual property obtained through the Application. The Inventor will cooperate with the University in connection with the prosecution, licensing and enforcement of any University owned intellectual property, and will execute any documents reasonably necessary to assist with such efforts, including any documents reasonably necessary to confirm ownership of intellectual property by the University, or to transfer ownership of such intellectual property to the University if needed. The University will be solely responsible for and will make all decisions related the prosecution, licensing, and enforcement of the intellectual property associated with the Invention. If the Inventor consults with another attorney, the Inventor must bear all of the expense, realizing that final responsibility for decision making rests with the University.

If the University does not intend to file an Application, the University will so notify the Inventor, preferably within sixty (60) days from receipt of a completed invention disclosure describing the Invention in detail to the University. If the University decides not to file any Application covering an Invention, or to abandon a pending Application covering an Invention, the University may release available rights in the Invention to the Inventor, upon request, where University believes that it would enhance the transfer of technology to the public, is consistent with University's obligations to third parties, and does not involve a conflict of interest. The Inventor may then elect to seek a patent or to continue prosecution at the Inventor's own expense. The Inventor must also agree to assume any third-party obligations and reporting obligations to the federal government. If the University's release is provided after initiating the Application process, the Inventors agree to reimburse the University for any costs incurred by the University in obtaining, maintaining, or marketing the Invention before its release to the Inventors.

### **Inventions Arising from Sponsored Projects**

The intellectual property terms of all research agreements are negotiated according to the following principles.

1. The Inventor is free to publish or present the results of a sponsored project, subject only to contractually agreed upon delays to permit the sponsor to review the proposed publication or presentation for the use of the sponsor's confidential information and the inclusion of patentable information.
2. In those cases where the University agrees to respect the proprietary nature of a sponsor's data disclosed to the University for certain limited purposes, all persons working on the project (faculty, staff, and students) are required to treat the sponsor's data as confidential.
3. Any Inventions or patents arising from the sponsored project will be used in the public interest.

4. The University owns all Inventions made by Northwestern personnel arising from gifts or sponsored projects.
5. As outlined in section entitled “Proceeds from Inventions” below, the University and the Inventor share in the net income received from intellectual property developed under the agreement.

If the proposed contractual requirements of a sponsor are contrary to the University's Patent and Invention Policy and cannot be reasonably negotiated, the Vice President for Research, in consultation with the appropriate senior leadership, will determine whether to accept the proposed sponsorship.

### **Research Property.**

Research Property (RP) created by Inventors in the course of their research is owned by the University except for works of authorship that are written articles, publications or presentations describing the research or Invention. RP may be distributed for non-commercial research purposes to academic institutions or to other third parties. RP also may be commercialized through license agreements, even though not protected by patent. Any revenue collected from the commercial license of RP is distributed according to the provisions of section entitled “Proceeds from Inventions.”

### **Development, Marketing, and Licensing of an Invention**

A primary goal of the University's technology-transfer efforts is to bring to the public the Inventions owned by the University, using whatever means seem best to develop, market, and license or otherwise commercialize each Invention, consistent with the provisions of this policy. The University may enter into agreements with third parties to assist in developing Inventions, in obtaining patents, or in promoting or manufacturing Inventions, provided that such agreements are consistent with this policy. If a particular Invention becomes subject to such an agreement, the Inventor will be notified about the agreement and any terms governing the relationship between the outside agent and the University.

The University may enter into any licensing agreements deemed beneficial to the University, the Inventor, and the public in general, provided such agreements are not prohibited by a sponsor's rules or regulations. Any terms governing the relationship between the licensee and the University due to such licensing agreements are made in consultation with the Inventor. Per Bayh Dole, the University gives license priorities to startups.

As a general policy, the University does not sell or assign patent rights.

Agreements with third parties may involve equity participation by the University and/or the Inventor. Equity includes stock, stock options, warrants, and other non-cash consideration. The University and the Inventor are responsible for negotiating their respective equity positions. Management of the University's equity share is the joint responsibility of the Vice President and Chief Investment Officer and the Vice President for Research.

### **Proceeds from Inventions**

If there is more than one Inventor, the applicable royalty percentage will be divided equitably among the Inventors. Their departments and schools or centers will also divide the applicable percentage equitably. The Vice President for Research, or a designate of the Vice President for Research, retains the right to review the distribution and mediate among the parties. For the avoidance of doubt, to the extent a

difference exists between the Inventor(s) identified in the Invention disclosure and the Inventor(s) identified in any resulting patent application, the latter shall control.

The allocation formula recognizes all forms of cash payments, including royalties and various fees from licensing. After recoupment of legal costs, and subtraction of certain costs outlined below, a percentage of the proceeds that the University receives from the licensing of Inventions will be paid to the Inventor, the Inventor's department, and the Inventor's school or center, as specified below. The Vice President for Research, or a designate of the Vice President for Research, will oversee the distribution of such funds according to a plan developed in consultation with the Inventor and will provide an accounting to the Inventor and the Inventor's department and school or center on an annual basis.

A deduction of 15% to cover operating expenses incurred by INVO will be taken annually from the gross license revenue, with funds exceeding the annual INVO budget moving into a quasi-endowment earmarked for INVO operations, entrepreneurial activities, and research operations as determined by the Provost and Vice President for Research. Income then remaining is the net income, which is distributed as set forth below.

To limit administrative costs, if the net income in any year is less than \$10,000, then no distribution will be made in that year to the schools, departments, or centers; rather, such net income will be tracked until either (1) the dispersible net income (i.e., the net income summed over several years) exceeds \$10,000 or (2) five years passes, at which time a distribution will be made as set forth below.

So long as the cumulative net income (i.e., the net income from all years) is less than or equal to fifty million U.S. dollars (\$50,000,000), then the distribution will be allocated as follows:

1. Thirty-three percent (33%) of the net income to the Inventor.
2. Seventeen percent (17%) of the net income to the department or departments in which the Inventor serves.
3. Seventeen percent (17%) of the net income to the school in which the Inventor serves.
4. Thirty-three percent (33%) of the net income to the Central Administration.

When the cumulative net income exceeds fifty million U.S. dollars (\$50,000,000) but is less than or equal to five hundred million U.S. dollars (\$500,000,000), then any further distribution will be allocated as follows:

1. Thirty-three percent (33%) of the net income to the Inventor.
2. Ten percent (10%) of the net income to the department or departments in which the Inventor serves.
3. Ten percent (10%) of the net income to the school in which the Inventor serves.
4. Forty-seven percent (47%) of the net income to the Central Administration.

When the cumulative net income exceeds five hundred million U.S. dollars (\$500,000,000), then any further distribution will be allocated as follows:

1. Thirty-three percent (33%) of the net income to the Inventor.
2. Five percent (5%) of the net income to the school in which the Inventor serves

3. Sixty-two percent (62%) of the net income to the Central Administration.

If there is more than one Inventor, the applicable income will be divided equitably among the Inventors. If there is more than one school, department, or center in which the Inventor(s) serves, the applicable income will be distributed to the school, department, or center that administered the academic year salary at the time of the disclosure. The University will review the proposed distribution plan, in light of the declarations of department, school, and center affiliations declared at the time of Invention disclosure to the University as well as the sources of salary support at the time of disclosure. A priori, income will be split equally among all Inventors (unless otherwise stipulated on the disclosure form) and, where necessary, will be split among the departments, schools, or centers according to the source of salary support (unless otherwise stipulated on the disclosure form and agreed upon by all the affected unit heads). In the case of student Inventors, distributions to departments and schools will be split according to the source of salary support for the student at the time of disclosure. In cases where students receive no salary, distributions will go to the department and school that housed the student's work. When multiple disclosures are used to develop a single patent or license, then the income is split equally across the disclosures unless a different distribution is agreed upon by all those affected (Inventors, unit heads, etc.). In cases of dispute, the Vice President for Research, or a designate of the Vice President for Research, will mediate among the parties and, if necessary, propose a distribution plan for approval to the Provost. Distributions to Central Administration are invested on an endowment basis for strategic initiatives of high priority to Northwestern as allowed by the Bayh-Dole legislation.

If the Invention is the result of sponsored research and the sponsor regulates the distribution of income, such specific regulations shall take precedence over University policy with respect to distribution of the license revenue. Where sponsored research funds include IP licensing fees or advance royalties that are received up-front, i.e., prior to the making of an Invention or the creation of RP, such funds will be held in reserve until the end of the funded term. At the end of the funded term, such funds will be distributed according to the distribution formula. If no Inventions result from such a sponsored research contract, the distribution formula will be followed, with the Inventor percentage being applied to an unrestricted lab account for the investigator(s) named in the sponsored research contract.

With respect to any patent matter in which another institution or an outside agency shall share in the income derived from the patent rights, distribution of income shall be made first to the other institution according to agreed-upon terms, and then to the Inventor according to this Patent and Invention Policy.

### **Inventions Made by Graduate and Undergraduate Students**

In the case of an Invention made by an undergraduate student, the University has ownership rights in such Invention if the Invention was made (1) in collaboration with or at the direction of an Individual or entity otherwise obligated to assign Invention rights to the University, (2) in the course of employment responsibilities owed to the University, or (3) pursuant to a written commission or request by the University. Such inventions are subject to the Patent and Invention Policy.

In the case of Inventions made by undergraduate or graduate students at the University to fulfill class assignments, the University has the right to ownership rights in such Inventions that are:

1. conceived or developed with substantial or essential contributions of the University, such as funds, space, materials, or facilities, except for in the case of resources designated for the purposes of supporting student research and innovation; or

2. developed in the course of or pursuant to a sponsored research or other agreement the University has entered into with a third party; or
3. developed in collaboration with faculty members not responsible for teaching the class.

In the event students elect to develop or improve, as their class assignment, ideas or Inventions that are assigned to the University, or that are otherwise subject to the Patent and Invention Policy, the University shall assert ownership rights in those projects. The University does reserve the right to assert ownership rights, if the Invention is made as a class assignment and further pursued as an independent project using significant resources of the University and that of a faculty or staff advisor employed by the University.

Inventions voluntarily assigned to the University by undergraduate or graduate students shall be owned by the University and are subject to the remaining provisions of the Patent and Invention Policy.

## **Related Information**

[Copyright Policy](#)

[Policy on Conflict of Interest and Conflict of Commitment](#)

## **Contacts**

The following office can address questions regarding this Patent and Invention Policy:

Innovation and New Ventures Office (INVO), phone: (847) 467-2097, email: [invo@northwestern.edu](mailto:invo@northwestern.edu)

## **History**

Supersedes policy revision dated September 1, 2020. Original policy was adopted January 1, 1974 and later revised in 1999, 2014, 2017, and 2020.

## **Policy URL:**

<http://policies.northwestern.edu/docs/patent-and-invention-policy-final.pdf>