



UNIVERSITY POLICY

SUBJECT: LEGAL SERVICES **TITLE:** PROVISION OF INCUBATOR FACILITIES

CODING: 00-01-90-55:00 **ADOPTED:** 02/01/91 **AMENDED:** 11/15/97

I. PURPOSE

To facilitate the provision and use of office and laboratory space for Participants in the Roan of UMDNJ incubator program and to establish the distribution of any income accruing to the University as a result of the incubator program.

II. ACCOUNTABILITY

Under the direction of the President, the Vice President for Legal Management shall ensure compliance with this policy. The Director of Patent and Licensing shall implement this policy.

III. POLICY

A. Guidelines:

1. Requests for use of office and laboratory space for Participants in the Roan of UMDNJ incubator program shall be directed to the Chairman of the Department and the faculty member or members having suitable space available, with a copy to the Dean.
2. If, as a result of accepting a Participant in the Roan of UMDNJ incubator program and providing them with facilities, the University receives financial benefits from the Participants, or the Participant's company, in the form of cash from the sale of stock, dividends or interest, such money is to be divided between the University, the school, the department, and the faculty member providing the space utilized, according to the formula below in (3). Royalties or other monies resulting from the licensing of any University intellectual property, to a Participant, or a Participant's company shall, however, be excluded from the division in paragraph 3.
3. The division of monies received from a Participant or Participant's company in the incubator program shall be according to the following formula:
 - a. 70 percent to the University;
 - b. 10 percent to the school or unit providing the facilities to the Participant;
 - c. 10 percent to the department providing the facilities;
 - d. 10 percent to the research funds of the faculty member whose laboratory or office space is being shared with the Participant or occupied by the Participant;

- e. if the space available in a department is not currently occupied or used by a faculty member the department shall also receive the 10 percent normally designated for a faculty member's research funds;
 - f. if the Participant is housed in space provided directly by the University, for example, in the Administration Complex with no school or departmental involvement the University will retain all monies received; and
 - g. if the space utilized by the Participant is provided directly by the school and no department is involved the division shall be only between the University and the school with the school receiving 30 percent.
4. If two or more departments, or faculty members, are providing space, any monies shall be divided equally between the schools, departments or faculty members.
 5. In the event of any dispute between departments or faculty members as to the division of monies the Dean of the school's decision shall be final.
 6. Since the faculty member(s) may be working in close proximity to the Participant it is possible that an interchange of ideas or technical data may take place and that joint inventions may result. In such cases the faculty member or members shall assign their rights in the invention to the University, as required by the Patent Policy. The University may then license its share in the joint invention to the Participant or to a third party. In that event, any royalties or license fees received by the University shall be divided according to the Patent Policy.
 7. Similarly, the incubator Participant may request a license to existing University technology and any royalties or license fees will again be divided according to the Patent Policy.

By Direction of the President:

Vice President for Legal Management