

Patent and Data Rights under SBIR/STTR Awards

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Disclaimers – Consult your Attorney and [Award Terms](#)

- **Legal Representation:** This presentation includes information about legal issues and legal developments for informational purposes only. These informational materials are not intended, and should not be taken, as legal advice on any particular set of facts or circumstances. You should contact an attorney for advice on specific legal problems.
- **Personal Views and Opinions:** The views and opinions expressed in this presentation are those of the author and do not necessarily reflect the official policy or position of any agency of the U.S. government.

Key Takeaways

1. Properly mark your data (e.g. Final Report)
2. Timely Report all subject inventions through iEdison (not just patents)
3. Watch Statutory bars (publications, on-sale, and public use) and inform both your attorney and iEdison ASAP

SBIR/STTR Data Rights GTC-0025

- **“Data”** All recorded information, regardless of the form or method of recording. Not just experimental data. Typically, only certain data is reported to the agency (e.g. Final Report or other deliverables).
- **“Unlimited Rights”** to Government
 - Default Rights to Government(all unmarked data)
 - No obligation to protect
 - Automated Publication of Final Report
- **Solely Privately Funded Data** (Proprietary, Limited Rights, Restricted Rights)
 - DOE generally does not want privately funded data.
 - **Technical Proposal(FOA)**: Typically may include. Need to properly mark per FOA if included.
 - **Progress or Final Reports**: Requires contracting officer Approval
- **SBIR/STTR Data** (Statutory Data Protection)
 - Data generated in the performance of an SBIR/STTR Award
 - Properly marked as SBIR/STTR Data per award terms
 - Government will protect marked SBIR/STTR data from release outside the Government and Government Support Contractors for a limited period
 - 4+ years (awards issued before May, 2019)
 - 20 year fixed protection period (awards issued on or after May, 2019)

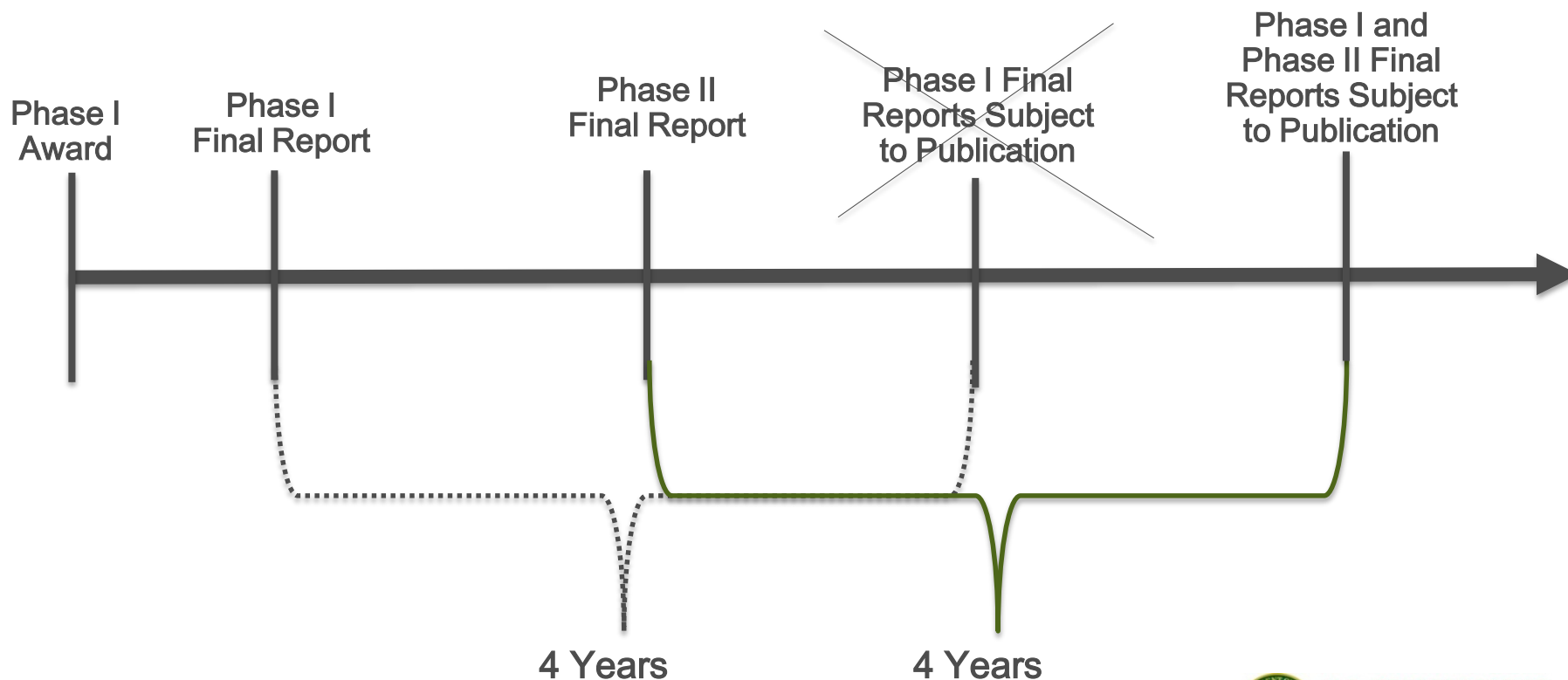
SBIR/STTR Rights (4+ Year Protection)

SBIR/STTR Rights Notice (JAN 2015)

- These SBIR/STTR data are furnished with SBIR/STTR rights under Award No. _____ (and subaward _____, if appropriate). Unless the Government obtains permission from the Recipient otherwise, **the Government will protect SBIR/STTR data from non-governmental use and from disclosure outside the Government**, except for purposes of review, for a period **starting at the receipt of the SBIR/STTR data and ending after 4 years, unless extended in accordance with 48 CFR 27.409(h)**, from the delivery of the last technical deliverable under this award. In order for SBIR/STTR data to be extended by an SBIR/STTR Phase III award, the Recipient must properly notify DOE's Office of Scientific and Technical Information (OSTI) before the end of the previous protection period. After the protection period, the Government has a paid-up license to use, and to authorize others to use on its behalf, these data for Government purposes, but is relieved of all disclosure prohibitions and assumes no liability for unauthorized use of these data by third parties. This notice shall be affixed to any reproductions of these data, in whole or in part.

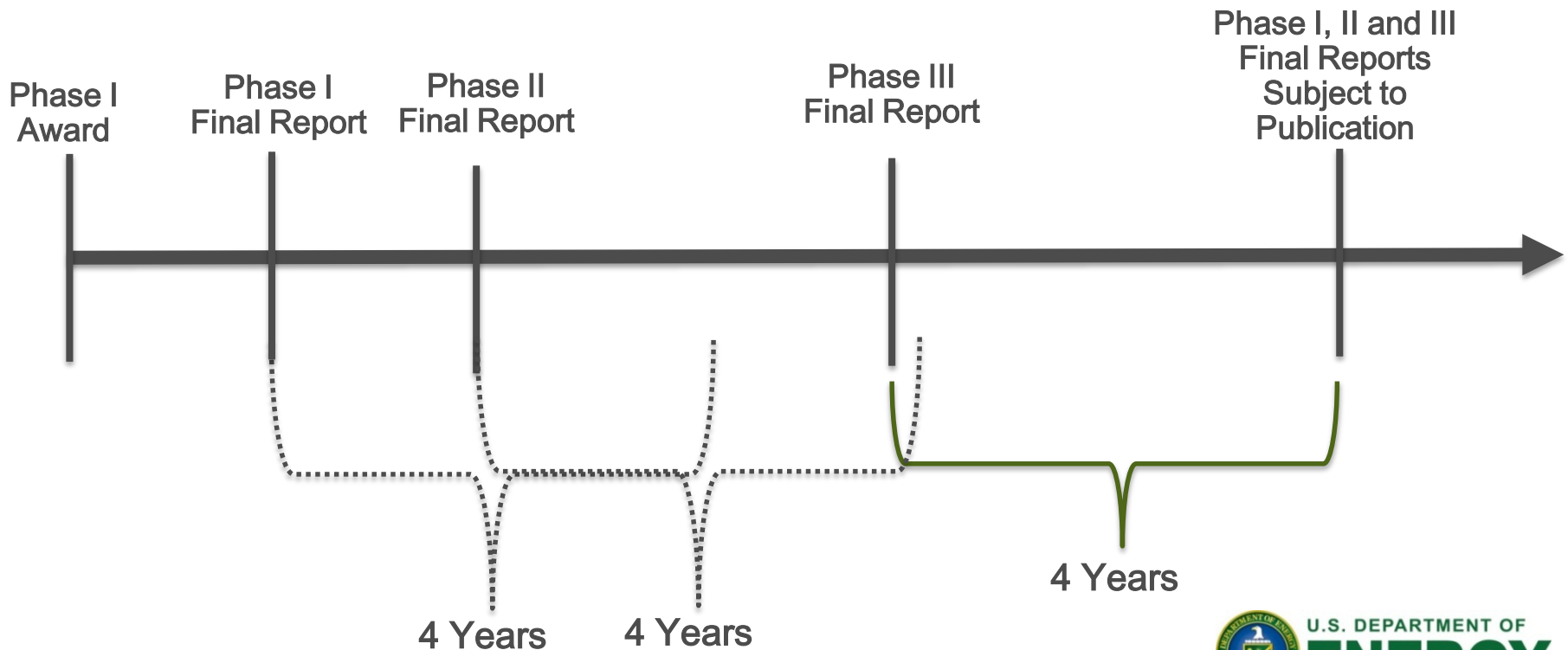
4+ years (awards issued before May 2019)

- SBIR/STTR Data protected for 4 years from date of last deliverable (e.g. Final Report).
- Extended for Subsequent SBIR/STTR Awards
 - Data protection period extended to 4 years from the date of the last deliverable of subsequent SBIR awards including Phase III awards.



Phase III Award

- SBIR Phase III Definition (SBA Policy Directive)
 - Work that derives from, extends, or completes an effort made under prior SBIR funding agreements, but is funded by sources other than the SBIR Program.
- Must notify agencies of subsequent Phase III awards!
 - DOE OSTI Website will notify awardees of publications (e.g. unlimited rights or expiring SBIR/STTR data protection). Please report Phase III awards!!



20 YEAR SBIR/STTR DATA RIGHTS (2019)

Funding Agreement No _____ (e.g. DE-SC000nnnn)

Award Date _____ (**Block 27 on the Assistance Agreement**)

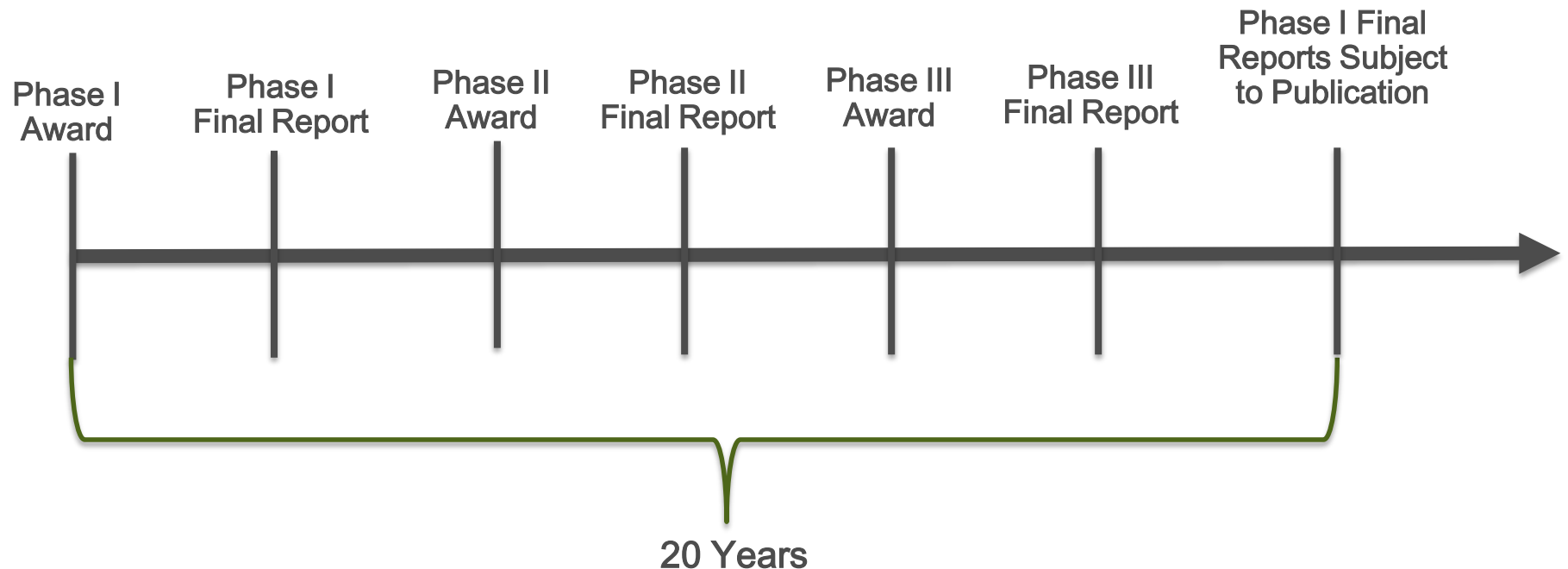
SBIR/STTR Protection Period: **Twenty years from Award Date**

SBIR/STTR Awardee _____

This report contains SBIR/STTR Data to which the Federal Government has received SBIR/STTR Technical Data Rights or SBIR/STTR Computer Software Rights during the SBIR/STTR Protection Period and Unlimited Rights afterwards, as defined in the Funding Agreement. Any reproductions of SBIR/STTR Data must include this legend.

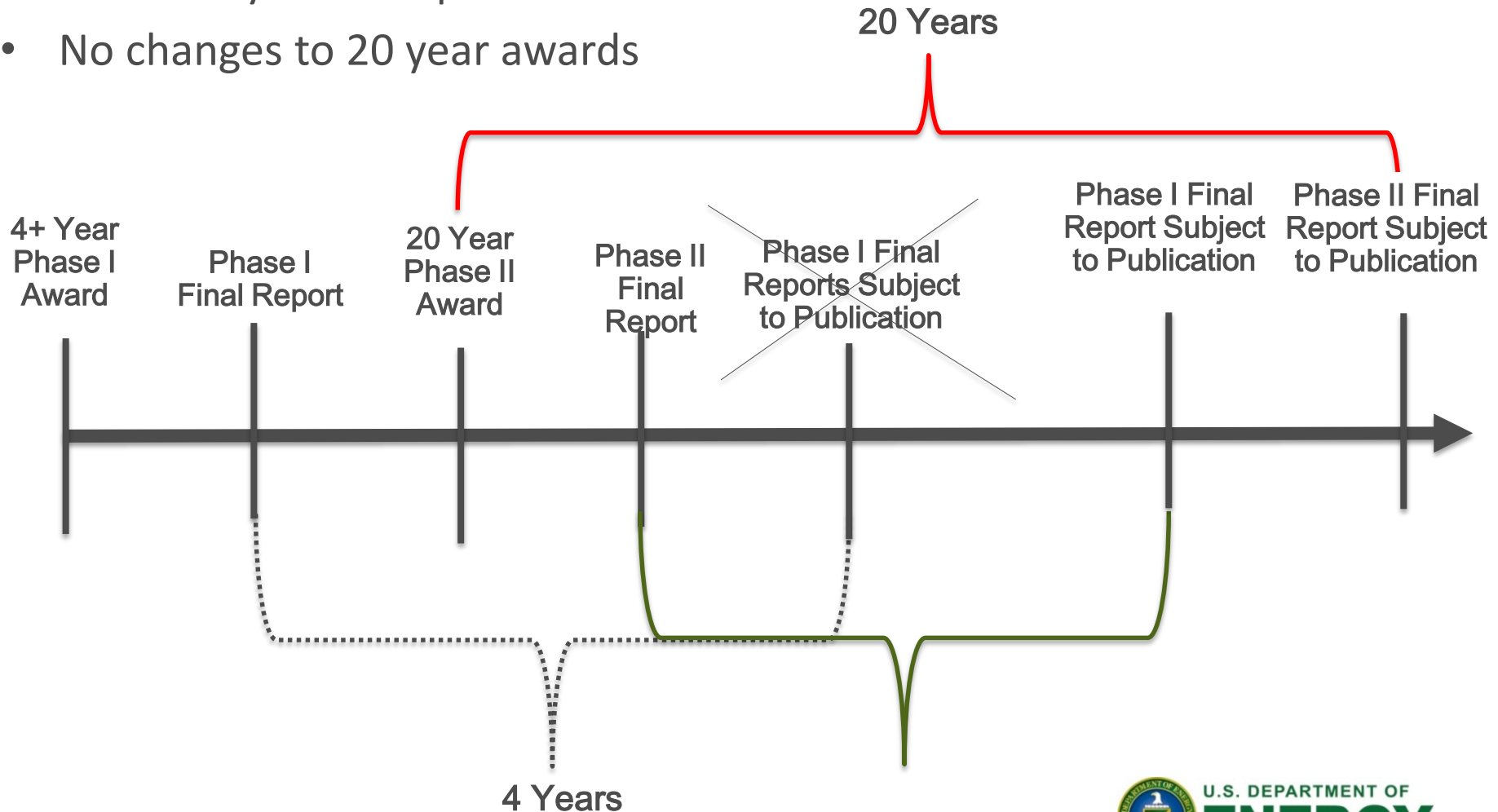
20 YEAR SBIR/STTR DATA RIGHTS (2019)

- Fixed 20 year data protection from award date (Block 27 on the Assistance Agreement).



4+ Year Phase I followed by 20 Year Phase II

- 4+ Year Data protection period extended to 4 years from the date of the last deliverable of subsequent SBIR awards including SBIR/STTR Awards under 20 year data protection.
- No changes to 20 year awards



Other Legends

- **If including Copyrighted Notice, must include**
 - This work was generated with financial support from the U.S. Government through Contract/Award No. _____, and as such the U.S. Government retains a paid-up, nonexclusive, irrevocable, world-wide license to reproduce, prepare derivative works, distribute copies to the public, and display publicly, by or on behalf of the Government, this work in whole or in part, or otherwise use the work for Federal purposes.
- **Third Party Copyrighted Material**
 - Must remove from final report
- **Data Generated with Private Funding (Limited Rights Data, Restricted Rights Data), Export Control or Classified information should not be submitted through OSTI**
 - Please contact contract specialist.
 - Do not email classified information
- **Data Markings When Disclosing to Others**
 - Consult your attorney (e.g. NDA, confidential data markings, patent, copyright, trade secret, protection)

Key Takeaways

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Patent Rights GTC-0024

- Standard Patent Rights (Small Business Firms and Nonprofit Organizations Terms (2 CFR 910 Appendix A of Subpart D)
 - Statutory language (35 USC 202 et seq.)
 - Allows awardee to timely elect to retain title to reported subject inventions
 - Subject to certain Government Rights (e.g. Government License, March-In)
 - Government may take title
 - Unelected inventions/patents
 - Late actions (e.g. reporting, title election, filing)
 - Unreported inventions
 - Subcontracts: Must grant Non-profits or Small Businesses rights to their inventions
 - Non-profits or Small Businesses may negotiate away, but not as a consideration for awarding the subcontract

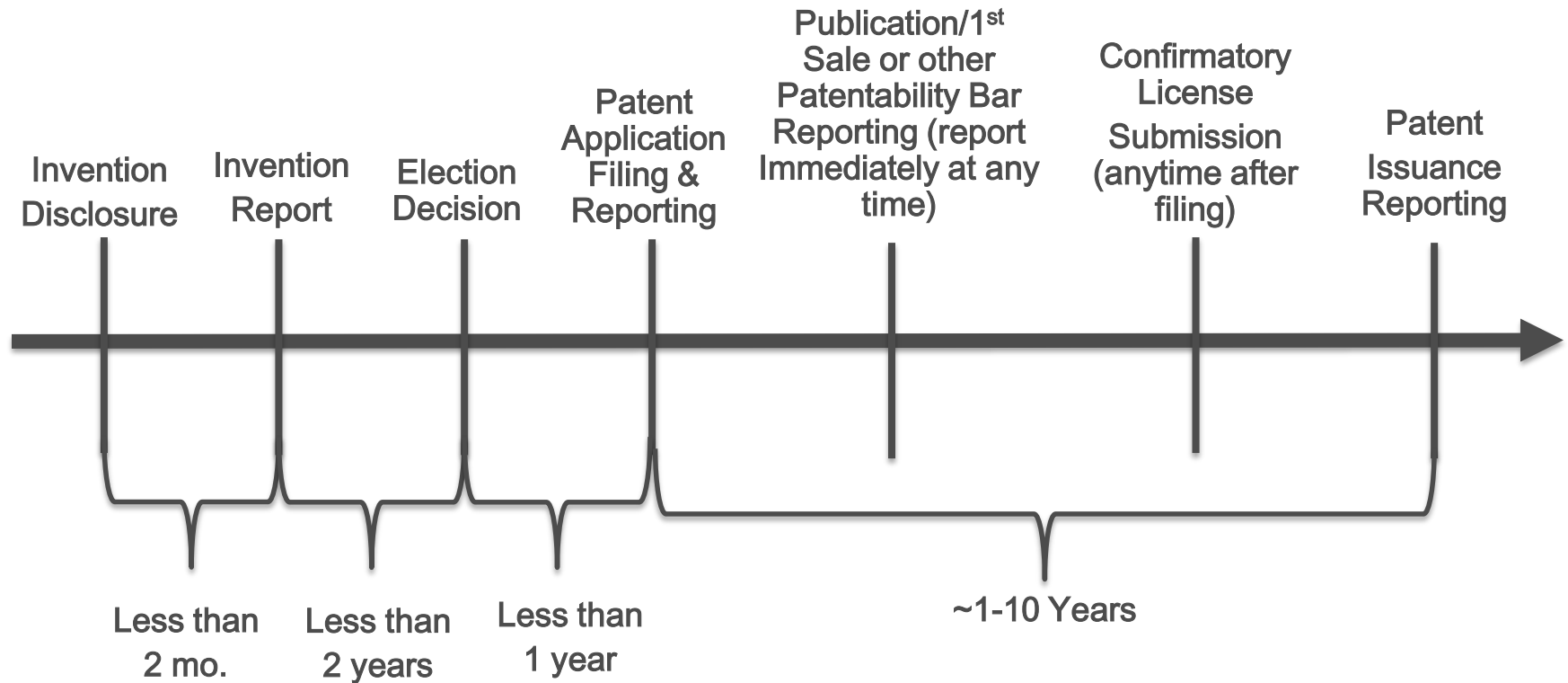
Invention Reporting (iEdison)

- “Invention” means any invention or discovery which is or may be patentable or otherwise protectable under title 35 of the United States Code...
- “Subject invention” means any invention of the Recipient **conceived or first actually reduced to practice in the performance of work** under this award (*GTC 0024 (a)*)
 - **Must report the invention even if you do not intend to pursue patent prosecution!**
- Disclose in iEdison within two months after the inventor discloses it in writing (*GTC 0024 (c)(1)*)
 - Should leverage your existing invention management process
 - Recommended to create an iEdison account now
 - May report inventions at any time, even after closeout.
 - DOE has annual reviews for potential unreported inventions
- Must implement written agreement with employees to report inventions (*GTC 0024 (f)*)
- Must disclose and elect 60 days before any Statutory Bars (*GTC 0024 (c)(2)*)
 - any publication, on sale or public use of the invention
 - notify DOE of the acceptance of any publication, on sale or public use

iEdison Contacts

- **Website: <https://era.nih.gov/iedison>**
- **For system issues with iEdison, please contact:**
 - eRA's iEdison Help Desk
Toll-free: 1-866-504-9552;
Phone: 301-435-1986;
edison@od.nih.gov
 - The Help Desk hours are Mon-Fri, 7 a.m. to 8 p.m. ET.
- **DOE Invention Reporting Support**
 - **Maritza Rodriguez**
iEdison Lead
9800 S. Cass Ave
Lemont, IL 60439 , US
Maritza.Rodriguez@science.doe.gov
Phone : (630) 252-2165
Fax : (630) 252-2779

Invention Reporting iEdison



- **DOE may extend any due dates (including invention reporting) with substantive justification.*

Patent Filing

- Must provide agency with a copy of each application and filing information (*GTC 0024 and award checklist*)
- Must provide agency with a [confirmatory license](#) (*GTC 0024 (f)(1)*)
 - iEdison/NIH confirmatory license is acceptable
- Must notify agency of any decision to discontinue prosecution of any patent application (*GTC 0024 (f)(3)*)
- Must include a Government Interest Clause in Application (*GTC 0024 (f)(4)*)
 - “This invention was made with Government support under (identify the award) awarded by (identify DOE). The Government has certain rights in this invention.”
- **USPTO does provide micro and small entity discounts **

Patent Costs Allowability (\$15K)

- Follow Award Terms
 - Patent Filing Fees may be allowable (2 CFR §910.352) if authorized by award document
 - Phase I grant funds may not be used to pay patent filing fees and related filing expenses for the first U.S. patent for subject inventions developed under the Phase I project. (FOA)
 - With justification, Phase II grant funds may be used to pay up to \$15,000, as a direct cost only, in patent filing fees and related filing expenses for the first U.S. patent for inventions developed under the Phase I or Phase II projects. In the event some or the entire amount listed is not expended on a patent filing, the remaining funds may be budgeted to other allowable project costs. (FOA)

Closeout- Invention Certification

- Invention Certification
 - Certify all inventions are reported by DOE S-number or iEdison Invention Number
 - If you do not have an S-number or iEdison number, was the invention reported?
 - Certified inventions should match list of inventions reported in iEdison
 - Need certification from subawards
 - Prime may certify or obtain separate certification from each subcontractor

DOE F 2050.11
(10/17)
(All Other Editions Are Obsolete)



Department of Energy

OMB Control No. 1910-0800
Expiration Date: 10/31/2021

Invention Certification For Federal Award

Prime Contractor Name:

Prime Contract Number:

Task Order Number:

Certifying Entity Type:

Certification Type:

This certification is the final and complete patent certification submitted by the undersigned and covers all subject inventions developed or first reduced to practice in the performance of the above identified task order, subcontract or contract, except for any subcontracts listed below as not being included in this certification.

Contractor hereby certifies that all subject inventions have been identified and disclosed as required by the patent clause of the applicable subcontract or contract.

Subcontractor(s):

Research and Development Subcontractor:

Subcontractor Name:

Subcontract Number:

Invention Certification

Listing of Subject Invention(s):

Subject Invention:

DOE S-Number or iEdison Invention Report Number/EIR Number:

Corresponding Patent/Application Number(s):

Key Takeaways

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Statutory Bars

- Patent Law “Statutory Bars” (Not Unique to this Award)
 - patented, described in a printed publication, or in public use, on sale, or otherwise available to the public (35 USC 102(a))
 - U.S. Has one year “grace period” (35 USC 102(b)). Most other countries do not.
- Invention disclosure must **identify any publication, on sale or public use** of the invention (*GTC 0024 (c)(1)*)
- **Recipient will promptly notify DOE of any statutory bars** (*GTC 0024 (c)(1&2)*)
 - Will shorten election period
- Myths (Discuss with your Patent Counsel)
 - As long as you file within a year, you won’t lose patents rights after publishing
 - Potential loss of both foreign and domestic patent rights
 - Publish or perish!
 - False Dichotomy
 - Patent, Publish and Profit!

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Technology Transfer Mechanisms at DOE Facilities



Agreement	Use	Funding	Subject Inventions	Generated Data	U.S. Competitiveness	Cost	Highlights
Cooperative Research and Development Agreement (CRADA)	Collaborative research between DOE Labs and public and/or private entities for the mutual benefit of the parties	Private and/or Federal funds	Lab and Participant may elect their own inventions and Participant has right to negotiate exclusive license to Lab inventions	Protected for up to 5 years	Products embodying IP resulting from CRADA shall be manufactured substantially in the U.S.	Lab and Participant may share costs or Participant pays 100% funds-in	<ul style="list-style-type: none"> ✓ Collaborative research ✓ 5 year data protection ✓ Designed for multi-party collaborative research
Strategic Partnership Project (SPP)	Work for businesses and other non-federal entities using highly specialized or unique DOE facilities, services or technical expertise	Private funds	Sponsor may elect title to Subject Inventions ¹	Protected as Sponsor's proprietary data w/limited exceptions ^{1,2,3}	U.S. Preference: Sponsor agrees not to grant any party exclusive right to use or sell products embodying Subject Inventions in the U.S. unless products are manufactured substantially in the U.S.	Sponsor pays full cost recovery	<ul style="list-style-type: none"> ✓ Sponsor typically retains right to elect title to subject inventions ✓ Generated data treated as proprietary ✓ Option for limited Gov. R&D license³
		Federal funds	Lab may elect title to Subject Inventions of the Lab	Unlimited Gov. rights or flow down of SBIR/STTR Data	U.S. Preference (see above)	Sponsor pays full cost recovery	<ul style="list-style-type: none"> ✓ Access to unique facilities and expertise using federal funds ✓ Streamlined SBIR/STTR Preapproved Model may be available
Agreements for Commercializing Technology (ACT)	Work for businesses and other non-federal entities using highly specialized or unique DOE facilities, services or technical expertise	Private funds	Initial title to the designated IP Lead. (ACT Participant or Lab Contractor)	Protected as proprietary data w/limited exceptions ^{1,2,3}	U.S. Preference (see above)	Participant pays full cost recovery <u>plus</u> additional negotiated compensation to the Contractor	<ul style="list-style-type: none"> ✓ Flexibility for addressing indemnity & adv. payment ✓ Negotiable IP terms ✓ Optional performance guarantee ✓ Option for limited Gov. R&D license³
Proprietary User Agreement ⁴	User may access designated facilities to conduct its own proprietary research	Private funds	User may elect title to its Subject Inventions	User may protect as proprietary	n/a	User pays approved user rate	<ul style="list-style-type: none"> ✓ Generated data treated as proprietary ✓ Merit based access to unique facilities
Non-Proprietary User Agreement ⁴	Non-proprietary research at designated facilities	n/a	Lab and User may elect their own Subject Inventions	Unlimited Gov. Rights	U.S. Preference (see above)	Each party covers own cost	<ul style="list-style-type: none"> ✓ Merit based access to unique facilities

¹ Certain exceptions or restrictions may apply (e.g. foreign SPP Sponsors may be granted the right to elect title to inventions and receive proprietary data protection but only after the approval of DOE field patent counsel and concurrence from the cognizant DOE program office).² Proprietary data protection may not be available at all facilities. ³ If the limited Gov. R&D license is utilized, data protection will be limited to 5 years. ⁴ User Agreements are only available when the Sponsor/Participant/User is proposing to use a DOE Designated User Facility that offers such agreements. (see, <http://technologytransfer.energy.gov/docs/designateduserfacilities.html>)



Questions?

