

OWNERSHIP OF UNIVERSITY INTELLECTUAL PROPERTY[♦]

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There is, I think, no point in the philosophy of progressive education which is sounder than its emphasis upon the importance of the participation of the learner in the formation of the purposes which direct his activities in the learning process. . . .¹

- John Dewey

“O this learning, what a thing it is!”²

- William Shakespeare

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¹ JOHN DEWEY, EXPERIENCE AND EDUCATION 77 (1938) (U.S. philosopher and educator; 1859–1952).

² WILLIAM SHAKESPEARE, THE TAMING OF THE SHREW act 1, sc. 2, l. 159 (David Bevington ed., Longman) (1997).

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INTRODUCTION

Every university needs a comprehensive set of written policies communicating the development of intellectual property resources in the context of its educational and research mission. Patent policies, copyright and trademark management, ownership guidelines, usage policies, and many other issues need to be carefully developed by each school.

These policies are not the same among the various forms of intellectual property and need to specify those rights assigned to the university and those rights retained by the student with specificity and detail. And even this is not enough. Students are often employees, a status that has a very different legal and contractual right under the university policies. Some students are also instructors and researchers. Similarly, faculty status does not convey the same rights for all individuals, so the policies must capture the distinctions between full-time faculty, visitors, adjuncts and those with other status.

By using the legal and business guidelines in copyright, patent, and other laws more carefully, schools can begin to tailor a usage and implementation policy that meets the educational and pedagogical goals of the classroom and research. Because the goals of academic instruction vary from school to school and even from class to class, there is no one-size-fits-all solution. Instead, the law provides a framework against which an academically sound policy can be developed.

This article highlights the role of copyright, patent, publicity rights, and trademark as they impact the teacher, researcher, student employee, student entrepreneur, and student athlete. It provides a framework for universities and their stakeholders to better understand the rights and responsibilities they have to each other regarding intellectual property rights and how best to draft policies and agreements within the context of those responsibilities.

I. COPYRIGHT ISSUES INVOLVING HIGHER EDUCATION TOOLS
AND SERVICES

A. *Copyright Background*

Copyright provides the author of an original work the sole power to sell or transfer the rights to the work. Subject to certain limitations, such as fair use, the copyright holder retains a monopoly over the work. The subject matter of copyright is the expression of ideas rather than the ideas themselves.³ Copyright protection subsists in original works of authorship fixed in any tangible medium of expression.⁴ “Works of authorship include the following categories: (1) [L]iterary works; (2) musical works, including any accompanying words; (3) dramatic works, including any accompanying music; (4) pantomimes and choreographic works; (5) pictorial, graphic, and sculptural works; (6) motion pictures and other audiovisual works; (7) sound recordings; and (8) architectural works.”⁵

Copyright protects only the expression of the work—the writing style and detailed plot of the story; but not ideas, procedures, processes, or facts.⁶ This protects the creativity of the expression but does not give any author a monopoly on the facts or ideas presented.⁷ No copyright in academic course materials, therefore, can preclude another faculty member from creating her own materials to teach the same subject matter.

The exclusive rights of the copyright holder are categorized into seven distinct rights. Generally, these rights provide the copyright owner with exclusive power of: (1) Reproduction or copying; (2) adaptation or the creation of derivative works; (3) distribution by sale or other transfer of ownership, or by rental, lease, or lending; (4) public performance of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works; and (5) public display.⁸ In addition, two categories of protection are specific to certain works. First, in the case of sound recordings, the copyright owner (typically a record label) has the right “to perform the copyrighted work publicly by means of a digital audio transmission.”⁹ Second, in the case of a work of visual art (made in a series of fewer

³ *Harper & Row Publishers, Inc., v. Nation Enterprise* 471 U.S. 539, 547–48 (1985). Section A is an update from a prior work by the author on this topic. See Jon M. Garon, *The Electronic Jungle: The Application of Intellectual Property Law to Distance Education*, 4 VAND. J. ENT. L. & PRAC., 146, 149–50 (2002).

⁴ 17 U.S.C. § 102(a) (2012).

⁵ *Id.*

⁶ *Id.* § 102(b).

⁷ *Harper & Row Publishers, Inc.*, 471 U.S. at 582.

⁸ 17 U.S.C. § 106 (2012).

⁹ *Id.* § 106(6).

than 200 copies), the creator receives the additional right to protect the artist's ability to receive credit for creating the work and the right to ensure that the work is not mutilated or destroyed by the owners of each copy of the work.¹⁰

B. *Copyright Ownership & Transfer*

As a general rule, copyright vests in the author of a work at the time it is fixed in a tangible medium of expression.¹¹ One significant exception to this rule is the statutory “work-for-hire” doctrine, under which ownership can instead vest with a party who contracted for the work to be created or an employer.¹²

When a work is specially ordered or commissioned, the copyright may vest in the party commissioning the work rather than the party who authored it.¹³ In such a situation, an independent contractor or other non-employee may assign authorship in a work so long as two conditions are met.¹⁴ First, there must be a signed agreement among the parties that provides that the work is to be considered a work made for hire. No oral understanding or course of conduct between the parties will be sufficient—it must be in writing.¹⁵

Second, the work must fall into one of nine categories set forth in the statute: (1) A contribution to a collective work; (2) a motion picture or other audiovisual work; (3) a translation; (4) a supplementary work; (5) a compilation; (6) an instructional text; (7) a test; (8) answer material for a test; and (9) an atlas.¹⁶ Under this method, any instructor, therefore, can assign the authorship of his or her instructional texts or audiovisual works (which generally includes websites and other content used for online distance education) to the school by signing an agreement which includes the appropriate transfer language.¹⁷

¹⁰ *Id.* § 106A(a)–(b).

¹¹ *Id.* § 201(a). Section B is an update from a prior work by the author on this topic. *See* Garon, *supra* note 3, at 151.

¹² *Id.* § 201(b).

¹³ *Id.*

¹⁴ The assignment of authorship is distinct from the assignment of a copyright. An author may transfer his or her authorship at any time; but the assignment of a copyright will be narrower than the assignment of authorship. This is because the author retains the rights to terminate a copyright assignment if the work is made pursuant to a work-for-hire relationship. *See* 17 U.S.C. § 203.

¹⁵ *See* *Effects Assoc. v. Cohen*, 908 F.2d 555, 556–57 (9th Cir. 1990), *cert. denied sub nom.*, *Danforth v. Cohen*, 498 U.S. 1103 (1991). Although the Ninth Circuit applied the absolute requirement of the writing to § 204 transfers, the writing obligation under specially commissioned work is even more stringent in that it requires the express agreement by both parties. *See* 17 U.S.C. § 101 (2012).

¹⁶ *See* 17 U.S.C. § 101 (2012).

¹⁷ *See also* Roberta Rosenthal Kwall, *Copyright Issues in Online Courses: Ownership, Authorship and Conflict*, 18 SANTA CLARA HIGH TECH L.J. 1, 13 (2001); Gregory Laughlin, *Who Owns the Copyright to Faculty-Created Web Sites?: The Work-for-Hire Doctrine's Applicability to Internet Resources Created for Distance Learning and Traditional Classroom Courses*, 41 BOS. C. L. REV. 549, 581–83 (2000).

The employer of an author may acquire authorship rights to a work under a second category of rights in the work for higher doctrine. The employer, here the school, will acquire the status of author of the copyrighted work for works prepared by an employee within the scope of his or her employment.¹⁸ To meet this test, there are also two criteria. At the outset, the person must be an employee, which typically means paid a salary, with proper tax withholding and employment benefits.¹⁹ For more difficult cases, there are factors that have been identified by the Supreme Court based on the common laws rules of agency.²⁰ These factors are significant primarily for adjuncts and part-time faculty, who may be treated as independent contractors for purposes of employment benefits and federal tax treatment. When the faculty member is an independent contractor, the significance of the right to control becomes increasingly important in determining copyright ownership.²¹ This determination is highly fact-specific and subjective. As a result, reliance on the employer-employee relationship will create significant problems for both part-time faculty and educational institutions.

Adjunct faculty generally will not be considered employees under the Supreme Court's test because they are not regular salaried employees receiving benefits. If a school wishes to own the materials of its adjunct faculty, it must enter into a signed agreement expressly identifying the course as a specially commissioned work-for-hire rather than one that is in the course of the adjunct's employment.

A better alternative is to have the adjunct sign an assignment of

¹⁸ 17 U.S.C. § 201(b).

¹⁹ See *Hi-Tech Video Prods. v. Capital Cities/ABC, Inc.*, 58 F.3d 1093, 1097 (6th Cir. 1994) ("In virtually every case, a strong indication of a worker's employment status can be garnered through examining how the employer compensates the worker (including benefits provided) and how the employer treats the worker for tax purposes."); *Aymes v. Bonelli*, 980 F.2d 857, 863 (2d Cir. 1992) ("The importance of [the tax treatment and employee benefits] . . . factors is underscored by the fact that every case since *Reid* that has applied the test has found the hired party to be an independent contractor where the hiring party failed to extend benefits or pay social security taxes.").

²⁰ *Cnty. for Creative Non-Violence v. Reid*, 490 U.S. 730, 751–52 (1989). These factors include:

[(i)] [T]he skill required; [(ii)] the source of the instrumentalities and tools; [(iii)] the location of the work; [(iv)] the duration of the relationship between the parties; [(v)] whether the hiring party has the right to assign additional projects to the hired party; [(vi)] the extent of the hired party's discretion over when and how long to work; [(vii)] the method of payment; [(viii)] the hired party's role in hiring and paying assistants; [(ix)] whether the work is part of the regular business of the hiring party; [(x)] whether the hiring party is in business; [(xi)] the provision of employee benefits; and [(xii)] the tax treatment of the hired party.

Id. (citations omitted); see also RESTATEMENT (SECOND) OF AGENCY § 220(2) (setting forth a non-exhaustive list of factors relevant to determining whether a hired party is an employee—none of which, however, are determinative).

²¹ See Laughlin, *supra* note 17, at 569–71 (discussing when faculty members are considered employees).

copyright to the academic institution.²² An adjunct who teaches at more than one institution should consider licensing the use of materials to each institution on a non-exclusive basis, retaining ownership and the ability to develop new materials from semester to semester.

C. *Teacher Exception to the Work-for-Hire Doctrine*

In addition to the issue of employment status, a second question is whether the course materials have been prepared in the scope of the person's employment.²³ This issue has generated significant consternation among faculty members who fear encroachment into their autonomy in scholarship, as well as having to share revenue generated from projects that may create commercially viable products.²⁴

For class assignments that are part of a full-time faculty member's normal teaching schedule, both criteria embodied in the 1976 Copyright Act are typically going to be met. The employment status satisfies the first element of the test. The nature and purpose for which the teaching materials are prepared supports the second element of the test since the work is prepared in the scope of employment.²⁵ Few copyright cases have analyzed this issue. Typically, however, even if the instructor has not been directly supervised by the school, classroom materials and testing materials are used directly for the benefit of the institution's students.

In looking at the copyright ownership of a course outline, one lower federal court explained that a course outline "was connected directly with the work for which [the teacher] was employed to do and was fairly and reasonably incidental to his employment."²⁶ Direct supervision was not required.²⁷ Further, the notion that a common law tradition survives despite the language of the statute may be undermined when the academic tradition that gave rise to that tradition is itself transforming through the growth of new teaching media.²⁸

²² See discussion *infra* Section I.D.

²³ See 17 U.S.C. § 101. Section C is an update from a prior work by the author on this topic. See Garon, *supra* note 3, at 151–53.

²⁴ See Nancy S. Kim, *Martha Graham, Professor Miller and the "Work For Hire" Doctrine: Undoing the Judicial Bind Created by the Legislature*, 13 J. INTELL. PROP. L. 337, 357–59 (2006). ("Currently, it is uncertain whether a teacher exception would survive a challenge by an institution under the work for hire doctrine. The Copyright Act does not acknowledge such an exception.") *id.* at 358; Rochelle C. Dreyfuss, *Collaborative Research: Conflicts on Authorship, Ownership, and Accountability*, 53 VAND. L. REV. 1161, 1187–88 (2000); Kwall, *supra* note 17, at 14; Laughlin, *supra* note 17, at 574–75.

²⁵ Laughlin, *supra* note 17, at 575–76.

²⁶ *Vanderhurst v. Colo. Mt. C. Dist.*, 16 F. Supp. 2d 1297, 1307 (D. Colo. 1998).

²⁷ See *id.*

²⁸ The issue was also addressed under state law in *Williams v. Weisser*, 78 Cal. Rptr. 542, 546 (Cal. Ct. App. 1969). Reliance on this case would be misplaced for a variety of reasons. First, the subject matter involved oral lectures which were protected by state law, not federal copyright law. Second, UCLA, the university employing the plaintiff, stated in a letter to the faculty that:

Despite the lack of statutory support, The American Association of University Professors (“AAUP”) asserts the position that copyright is retained by faculty members.²⁹ The AAUP frames the need for copyright ownership on the foundation of academic freedom and tenure that have shaped higher education since the AAUP’s rules were first promulgated in 1915.³⁰ Revised in 1940, the Statement of Principles on Academic Freedom and Tenure establishes the need for academic freedom, tenure, and faculty copyright ownership as parts of the broader search for truth: “Institutions of higher education are conducted for the common good and not to further the interest of either the individual teacher or the institution as a whole. The common good depends upon the free search for truth and its free exposition.”³¹ From these principles, a clear approach to faculty ownership of their copyrighted works is inconsistent with a traditional employer-employee relationship:

In the case of traditional academic works, however, the faculty member rather than the institution determines the subject matter, the intellectual approach and direction, and the conclusions. This is the very essence of academic freedom. Were the institution to own the copyright in such works, under a work-made-for-hire theory, it would have the power, for example, to decide where the work is to be published, to edit and otherwise revise it, to prepare derivative works based on it (such as translations, abridgments, and literary, musical, or artistic variations), and indeed to censor and forbid dissemination of the work altogether. Such powers, so deeply inconsistent with fundamental principles of academic freedom, cannot rest with the institution.³²

While the approach of the AAUP may provide a strong basis for

[R]egarding the faculty member’s right to control distribution of notes taken in classroom lecture, it appears quite clear that under California’s recognition of common law copyright, the lecturer retains a property right to his words spoken before a limited audience. Any unauthorized duplication and distribution of these words, either verbatim or in the form of notes may therefore constitute an infringement of this right.

Id. at 544 n.1. More than failing to assert any claims to its faculty lectures, UCLA had adopted common law copyright as its position. *Id.* at 543. Third, UCLA never claimed any interest in this instance, so the record before the court could not support any contention by UCLA that it had any claims—regardless of the materials sought. *Id.* at 546. Even under California law in 1969, nothing in the case suggests that UCLA was not the copyright holder of course handouts, examinations, and other written materials prepared for college students and distributed by the faculty. *Id.* While this is an open question, the case hardly provides any basis for a contrary determination.

²⁹ See generally AM. ASS’N U. PROFESSORS, <https://www.aaup.org/> (last visited Apr. 20, 2018).

³⁰ See 1915 Declaration of Principles on Academic Freedom and Academic Tenure, AAUP, <https://www.aaup.org/NR/rdonlyres/A6520A9D-0A9A-47B3-B550-C006B5B224E7/0/1915Declaration.pdf> (last visited Mar. 10, 2018).

³¹ See 1940 Statement of Principles on Academic Freedom and Tenure: with 1970 Interpretive Comments, AAUP, <https://www.aaup.org/file/1940%20Statement.pdf> (last visited Mar. 10, 2018) at 14.

³² Statement on Copyright, AAUP, <https://www.aaup.org/report/statement-copyright> (last visited Mar. 10, 2018).

negotiation between universities and their faculty, neither the text of The Copyright Act nor case law requires AAUP's desired outcome.³³ The dearth of cases however, may reflect the general acceptance of this approach and the unwillingness of universities to assert these rights in court.

Full-time faculty members may also retain certain ownership in works they create if those works are not within the scope of their employment, or if the parties agree to another arrangement in writing.³⁴ Under a common law exception to the work-for-hire doctrine, known as the "teacher exception," work-for-hire had not applied to faculty members' academic writings under the 1909 Copyright Act.³⁵ Significant controversy exists whether this exception survives the enactment of the Copyright Act of 1976. For most tenure-track faculty positions, academic writing remains a requirement of the job.³⁶ Faculty members often receive mentoring by peers, secretarial and administrative support, and sometimes receive stipends or other additional compensation.³⁷ As such, the academic writings are part of the employment because they are obligations undertaken in order for the faculty member to receive tenure.³⁸

Nonetheless, most colleges and universities have historically never sought ownership of their faculties' academic writings and have either waived claims of ownership through collective bargaining or through common practice.³⁹ The ongoing practice of universities not claiming such copyright should create a strong estoppel argument: these universities cannot change these policies without renegotiating the terms of employment.

³³ See *Hays v. Sony Corp. of Am.*, 847 F.2d 412, 416–17 (7th Cir. 1988) ("To a literalist of statutory interpretation, the conclusion that the Act abolished the exception may seem inescapable."). *Id.* at 416. Cf. Kim, *supra* note 24, at 358 ("Posner recognized that such a conclusion would wreak havoc in academic institutions due to 'the lack of fit between the policy of the work-for-hire doctrine and the conditions of academic production . . .'" quoting Posner's opinion in *Hays*). *Id.* at 358–59.

³⁴ See 17 U.S.C. § 102(a).

³⁵ See Georgia Holmes & Daniel A. Levin, *Who Owns Course Materials Prepared by a Teacher or Professor? The Application of Copyright Law to Teaching Materials in the Internet Age*, 2000 BYU EDUC. & L. J. 165, 181–82 (2000).

³⁶ ERNEST BOYER, *SCHOLARSHIP RECONSIDERED: PROPERTIES OF THE PROFESSORIATE* 28 (1990) ("[A]t most four-year institutions, the requirements of tenure and promotion continue to focus heavily on research and on articles published in journals, especially those that are refereed . . ."). *Id.*

³⁷ *Id.* at 33, 50. The authors suggest that to break the oppressive role over-emphasis on scholarship has generated so-called "creativity contracts" to be used, allowing the individual faculty member to negotiate with the employer for the specific types of scholarship, writing, and service activities that the faculty member will perform. *Id.* at 48. The creativity contract assumes that all scholarship is for the institution such that it can be bargained against other services the institution values from the faculty member. *See id.*

³⁸ *See id.* at 12. The requirements of research and publishing articles are heavily enforced, despite the need to provide student instruction. *See id.* at 28–29.

³⁹ Dreyfuss, *supra* note 24, at 1185.

In two decisions, the Seventh Circuit strongly suggested that the teacher exception does or should survive the re-codification of the 1976 Copyright Act.⁴⁰ Neither case represents strong legal authority because, in both cases, the court was addressing this topic even though it was not in dispute between the parties. More importantly, the emphasis was on “academic books and articles.”⁴¹ In the court’s reasoning, “the universal assumption and practice was that . . . the right to copyright such writing[s] belonged to the teacher rather than to the college or university [because such institutions are] poorly equipped to exploit their writings, whether through publication or otherwise.”⁴²

Such an assertion by the court is baseless and unsupported. It ignores the value of research to an academic research institution; the importance of scholarship in the development and training of the institution’s employees; and the perverse incentive for universities to commercialize scholarship as a means of demonstrating ownership in the faculty’s work product. Despite the important role scholarship plays throughout higher education,⁴³ the recitation of the need for a continuing teacher exception does not flow either from the text of the statute nor the institutional realities of the academic community.

The reasons for providing a teacher exception to the work-for-hire doctrine flow primarily from the desire to provide faculty sufficient academic autonomy from their employers, and a realization that the relationship between scholarship and incentives at most institutions is a very poor fit, particularly for faculty who have achieved tenure and are no longer directly measured by their scholarly output.⁴⁴

To solve these problems, some school policy manuals incorporate the teacher exception, disclaiming the employer’s copyright.⁴⁵ This further indicates that any custom underlying the teacher exception has been replaced by negotiated academic policies.⁴⁶ The Copyright Act

⁴⁰ *Hays v. Sony Corp. of Am.*, 847 F.2d 412, 416–17 (7th Cir. 1988); *Weinstein v. Univ. of Ill.*, 811 F.2d 1091, 1094 (7th Cir. 1987).

⁴¹ *Hays*, 847 F.2d at 416. See 2 WILLIAM F. PATRY, PATRY ON COPYRIGHT § 5:71 (2017) (“Ownership of academic writings is thus not in a class of its own and must be analyzed under general work for hire principles, as informed by the facts and the policies of the institution.”).

⁴² *Hays*, 847 F.2d at 416.

⁴³ BOYER, *supra* note 36, at 29.

⁴⁴ Of course, the ones severely impacted are the faculty members who would risk losing the independence of their writings. While I recognize that the law is on the side of the universities, I strongly believe that the authorship of academic writings should not be transferred to the employer institution. As a faculty author, my primary goal is to promote the non-economic interests in my writings—greater dissemination (often free of charge), and control over the attribution and integrity of my writings. While critically important to me as an academic, neither of these interests are protected or recognized by copyright law, except in limited circumstances. Cf. Dreyfus, *supra* note 24, at 1200–01.

⁴⁵ See *Weinstein*, 811 F.2d at 1094.

⁴⁶ See *id.*; *Manning v. Board of Tr. of Community C. Dist. No. 505 (Parkland College)*, 109 F. Supp. 2d 976, 980–81 (C.D. Ill. 2000).

specifically provides that the transfer of copyright by the employee may be altered by the parties, so long as “the parties have expressly agreed otherwise in a written instrument signed by them.”⁴⁷

Academic materials are often developed by more than one person. Assuming the works were not created as works for hire, the copyright in such works will be jointly owned. A joint work is “a work prepared by two or more authors with the intentions that their contributions be merged into inseparable or interdependent parts of a unitary whole.”⁴⁸

Again, the legal standard has two elements. First, each of the parties must be an author, meaning that he or she must have contributed some original material to the joint work. For example, if one author writes lyrics and the other writes songs, their collaboration is a joint work. Similarly, it is a joint work for one person to write functional computer code and another to provide the graphic design to implement its use on a website. The second requirement is that both parties intend the work to be a joint, collaborative effort. This element is included to protect an author from losing exclusive ownership to editors or other individuals who often provide essential but relatively modest changes to the work.⁴⁹

D. *Transfers of Copyright: The Practical Alternative to the Work-for-Hire Doctrine*

Copyright is often described as a “bundle of rights” that can be separated into any number of exclusive and non-exclusive transfers.⁵⁰ This bundle can also be divided into smaller sticks and twigs, if done using very carefully crafted exclusive licenses. As Professor Nimmer has explained, “[a]n exclusive license, even if it is ‘limited in time or place of effect,’ is equated with an assignment, and each is considered to be a ‘transfer’ of copyright ownership.”⁵¹ These exclusive rights can be granted for a specific period of time, for a geographic location, or for

⁴⁷ 17 U.S.C. § 201(b). The technical language of the statute suggests that the manner of adoption of the collective bargaining agreement or copyright use policy should be one that provides for a signed writing by the institution and each faculty member. While this may be incorporated by reference into other signed documents, publication of an unsigned policy promulgated by a university that was not signed upon acceptance by the faculty members may be insufficient and will not fully comport with the writing requirements.

⁴⁸ *Id.* at § 101.

⁴⁹ *Thomson v. Larson*, 147 F.3d 195, 201–02 (2d. Cir. 1998); *Childress v. Taylor*, 945 F.2d 500, 507 (2d Cir. 1991).

⁵⁰ See Shira Perlmutter, *Convergence and the Future of Copyright*, 24 COLUMBIA-VLA J.L. & ARTS 163, 172–73 (2001) (“The reason for the ‘bundle’ of rights is the historical accretion of responses to new uses and new technologies (beginning with the right to make copies impelled by the invention of the printing press).”). Section D is an update from a prior work by the author on this topic. See Garon, *supra* note 3, at 153–54.

⁵¹ 3 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT §10.02 (2017) [hereinafter NIMMER].

a particular use.⁵² “Indeed, there would appear to be no limit on how narrow the scope of licensed rights may be and still constitute a ‘transfer’ of ownership, as long as the rights thus licensed are ‘exclusive.’”⁵³ So, for example, an adjunct professor could create an online course that she licensed to University X for two years, granting University X exclusive rights to the course materials in its state for undergraduate education. That license would still permit the adjunct professor to license the online course to colleges outside of University X’s state, to license the course to high schools or graduate schools, and to enter into any other form of licensing relationship at the end of the two-year period.

For the transfer to be exclusive, it must be “in writing and signed by the owner of the rights conveyed or such owner’s duly authorized agent.”⁵⁴ This is best done with a signed contract, but a series of letters may suffice since the statute requires only that the granting party sign the transfer. Non-exclusive grants need not be in writing and may be either oral or implied from conduct (e.g., providing copies for use).⁵⁵ An oral promise to transfer copyright exclusively cannot be enforced, but the courts will sometimes allow at least non-exclusive use based on the implied transfer of copyrights that the non-conforming agreement was understood to intend.⁵⁶ Similarly, absent any understanding between a school and the owner of course materials or a website, a history of allowing the materials to be reprinted or used in other ways can also create an implied non-exclusive license.⁵⁷

Although seldom mentioned, this same issue applies to copyrighted materials authored by the students in the online setting. If the faculty member wishes to publish a student’s work on the Internet, then the faculty member or the educational institution should have express permission to do so. While the student typically grants such permission implicitly through his or her participation in the course, a student who objects may have a legitimate claim to refuse permission to the faculty member to republish the copyrighted work online.

Assuming that the use of the student’s work by the faculty member is non-exclusive, the student need not provide a signed authorization.⁵⁸

⁵² *Id.*; see also 17 U.S.C. § 201(d)(2):

Any of the exclusive rights comprised in a copyright, including any subdivision of any of the rights specified in section 106, may be transferred . . . and owned separately. The owner of any particular exclusive right is entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner by this title.

⁵³ NIMMER, *supra* note 52.

⁵⁴ 17 U.S.C. §204(a) (2012).

⁵⁵ See *Oddo v. Ries*, 743 F.2d 630, 634 (9th Cir. 1984).

⁵⁶ *Effects Assoc. v. Cohen*, 908 F.2d 555, 557–59 (9th Cir. 1990), *cert. denied sub nom.*, *Danforth v. Cohen*, 498 U.S. 1103 (1991).

⁵⁷ *Id.*

⁵⁸ See 17 U.S.C. § 201(d).

Still, something more than simple acquiescence should be utilized, particularly if such use is going to continue beyond the end of the student's enrollment in the course for which the work was created. The educational institution can adopt a policy enforced through its enrollment policies, or each faculty member could incorporate into his or her syllabus a statement notifying students that their work will be subject to a non-exclusive license to the institution.⁵⁹ The scope of this non-exclusive license should be sufficiently broad that it covers those uses expected by the school, but not so broad that it raises concerns about the student's interest in controlling his or her own academic developments and scholarship.⁶⁰

Given recent trends that suggest teaching assistants are increasingly beginning to make professional demands on their academic institutions, the status of graduate student teaching assistants should also be set forth expressly in writing.⁶¹

E. *Limits on the Copyright Holder's Exclusive Rights including Fair Use*

The exclusive rights vested in the copyright owner are not absolute. They are subject to both practical limitations and legal constraints. While tempting, educational institutions must be particularly sensitive to the ethical issues involved in unauthorized copying. Presumably, all institutions strongly disapprove of plagiarism,⁶² which serves as a moral or ethical code, rather than as a legal doctrine.⁶³ The disapproval of plagiarism (although inherently quite distinct from copyright) shares a common theme with copyright in that much of the limitations on copyright infringement come from a moral rather than legal imperative not to steal another's work.⁶⁴

⁵⁹ For an example of my non-exclusive license of copyright provision, see Appendix A.

⁶⁰ For most purposes, a grant such as this would cover the use: "By enrolling in the course, you are agreeing to give perpetual, non-exclusive permission to reprint your submitted work as well as to allow for editing of that work to allow it to conform to stylistic, length or other needs." In other situations, however, such as students who are contributing to a larger work or who are creating materials that may be the source of other students' derivative works, the license would need to be broader.

⁶¹ Grant M. Hayden, *The University Works Because We Do: Collective Bargaining Rights for Graduate Assistants*, 69 *Fordham L. Rev.* 1233 (2001).

⁶² See Laurie Stearns, *Copy Wrong: Plagiarism, Process, Property, and the Law*, 80 *CALIF. L. REV.* 513, 518–19 (1992) ("Academia takes plagiarism seriously: 'Plagiarism is an academic capital offense, punishable by academic death for student or faculty.'") (quoting K.R. ST. ONGE, *THE MELANCHOLY ANATOMY OF PLAGIARISM* 39 (1988)). Section E is an update from a prior work by the author on this topic. See Garon, *supra* note 3, at 154–55.

⁶³ *Id.* at 516–17 ("Plagiarism means intentionally taking the literary property of another without attribution and passing it off as one's own, having failed to add anything of value to the copied material and having reaped from its use an unearned benefit.')

⁶⁴ Neil MacCormick, *Institutional Normative Order: A Conception of Law*, 82 *CORNELL L. REV.* 1051, 1055 (1997).

The dichotomy between wrong and not-wrong (or between wrong and right-in-the-

This normative role for intellectual property law will not be developed here, but it remains a central part of the uses to which intellectual property is put by educational institutions. Our schools establish one of the key means for defining legally and culturally acceptable ideas in our society. “Through nurture, socialization, and education, we are exposed to and socialized into some common views of the right and the wrong, and gradually led to an ability to be at least partly self-regulating against the standing norms implicit, and partly explicit, in this common view.”⁶⁵

In the world of academia, it is only against this normative backdrop that the battle over limitations on the exclusive rights of copyright holders has been fought. Copyright owners claim protection of their income and control over the use of their work.⁶⁶ Teachers repeat frustrations regarding the cost of materials, the delays inherent in gaining copyright clearance, and the inability to locate the correct parties from whom to acquire permissions.⁶⁷ Photocopy centers, Internet service providers, and school book stores are trapped in the middle, working to accommodate all the competing legitimate interests.⁶⁸

Fair use serves to provide “a privilege in others than the owner of a copyright to use the copyrighted material in a reasonable manner without [the copyright holder’s] consent, notwithstanding the monopoly granted to the owner”⁶⁹ This is a privilege that should not be abused. Given the need for restraint, educational institutions struggle to determine the appropriate guidelines for using copyrighted works without express permission. The fair use doctrine provides that, “the fair

sense-of-not-wrong) is the fundamental differentiation of actions or of intended or planned acts in a normative order. What a person engages upon when aiming to make normative order actual, is the task of, or commitment to, avoiding wrongdoing.

Id.

⁶⁵ *Id.* at 1056.

⁶⁶ Comments from Assoc. of Amer. Publishers on Promotion of Distance Education Through Digital Technologies to U.S. Copyright Off. (Feb. 5, 1999) (found at <https://www.copyright.gov/disted/comments/init004.pdf>).

The essential principle of ‘licensing’ rights, which is critical to the practical exercise of copyright ownership as well as the satisfaction of user needs in a diverse and competitive marketplace, works well for producers and users in this marketplace and has been contemporaneously reaffirmed by the courts as a legitimate exercise of copyright.

Id. at 2.

⁶⁷ *Id.*; Comments from Consortium of College & Univ. Media Ctrs. on Promotion of Distance Education Through Digital Technologies to U.S. Copyright Off. (Feb. 5, 1999) (found at <https://www.copyright.gov/disted/comments/init024.pdf>) (“To be effective, licenses must encompass the breadth of needs of the academic course and be delivered or confirmed in a timely fashion; this has not always been the case. Also, the problem of identification of copyright holders remains an issue for many institutions.”). *Id.*

⁶⁸ See e.g., *Basic Books, Inc. v. Kinko's Graphics Corp.*, 758 F. Supp. 1522, 1531 (S.D.N.Y. 1991).

⁶⁹ *Rosemont Enterprises, Inc. v. Random House, Inc.*, 366 F.2d 303, 306 (2d Cir. 1966), *cert. denied*, 385 U.S. 1009 (1967) (citation omitted).

use of a copyrighted work . . . for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright.”⁷⁰ This protects the public’s need to comment on a work, to quote portions in other critical works, and to build upon previous works.⁷¹

Fair use is an equitable test that balances the copyright holder’s property interests with the public’s interest in teaching, commenting, and critiquing.⁷² The doctrine was a judicially created limitation on the rights embodied in federal copyright law that were not part of the statute until the codification of the 1976 Act.⁷³ “The fair use doctrine thus permits [and requires] courts to avoid rigid application of the copyright statute when, on occasion, it would stifle the very creativity which that law is designed to foster.”⁷⁴

Procedurally, fair use is an affirmative defense to a lawsuit brought by the copyright holder for improper copying. As such, the burden is on the copier to establish that the amount copied was appropriate under the circumstances.⁷⁵

Borrowing materials for classroom use, course materials, and particularly websites, is not uncommon.⁷⁶ The increasing availability of digital works and excerpts makes this practice ubiquitous. Despite the common occurrence of this copying, the practice still creates some potential for copyright violations by the instructor and the school.⁷⁷ This is particularly true for websites where materials are made available to the general public because class-oriented websites are not limited by passwords or other institutional mechanisms.⁷⁸ Copyright infringement entails posting of copyrighted material on a website unless there is an

⁷⁰ 17 U.S.C. § 107 (2012).

⁷¹ See also *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 549 (1985) (“Fair use was traditionally defined as ‘a privilege in others than the owner of the copyright to use the copyrighted material in a reasonable manner without his consent.’”) (quoting H. BALL, *LAW OF COPYRIGHT AND LITERARY PROPERTY* 260 (1944)).

⁷² H.R. REP. NO. 94-1476, at 65–66 (1976).

⁷³ See *id.*

⁷⁴ *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 576 (1994) (quoting *Stewart v. Abend*, 495 U.S. 207, 236 (1990)) (internal quotation marks and citation omitted).

⁷⁵ See *Harper & Row Publishers, Inc.*, 471 U.S. at 550–51 (discussing fair use as an affirmative defense as it applied to unpublished works before and after the 1976 Copyright Act).

⁷⁶ See, e.g., *Cambridge Univ. Press v. Patton*, 769 F.3d 1232, 1260–61 (11th Cir. 2014) (providing fair use test when public universities rely on unlicensed digital course packs); *Princeton University Press v. Michigan Document Services, Inc.*, 99 F.3d 1381, 1392 (6th Cir. 1996) (enjoining production of coursepacks at copy center); *Basic Books, Inc. v. Kinko’s Graphics Corp.*, 758 F. Supp. 1522, 1526 (S.D.N.Y.1991) (book publishers were granted injunctive relief against duplication business which copied excerpts from books without permission).

⁷⁷ See *Cambridge Univ. Press v. Patton*, 769 F.3d 1232.

⁷⁸ See 17 U.S.C. § 107(1) (2012) (the purpose of the copying may be for public distribution, rather than the more modest distribution to students engaged in academic activities).

exception to the exclusive rights of the copyright holder.⁷⁹ In contrast, where the materials are posted to a closed learning management system such as Blackboard, Canvas, or Moodle, there is far less potential harm to the copyright owner, and frankly there is far less access for the copyright holder to police the conduct. The excerpts are limited to the students enrolled in the class and available for the limited time the student remains enrolled (though the student may choose to download and retain a copy of the materials).⁸⁰

The fair use doctrine provides the greatest flexibility for the faculty member or institution operating a website and hoping to use the work of another. The 1976 Copyright Act codified the traditional, common law fair use doctrine and provides the following four factors to consider when assessing whether the use of work in any particular case is fair:

- (1) [T]he purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- (2) the nature of the copyrighted work;
- (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
- (4) the effect of the use upon the potential market for or value of the copyrighted work.⁸¹

Although each of these prongs is discussed by courts when assessing any claim of fair use, the first and fourth prongs tend to be the most important. If the copying stymies the economic opportunity of the copyright holder, courts are much more likely to find infringement would not result in an economic detriment.⁸² While the balancing test also includes an evaluation of the nature and extent of the use, the nature of the work, and the market for the work, use by a for-profit

⁷⁹ Posting a copyrighted work to a website would comprise a reproduction, distribution, and display of the work. *See id.* at § 106.

⁸⁰ *See* Cambridge Univ. Press v. Becker, 2016 WL 3098397, at *3 (N.D. Ga. 2016) (excerpt process managed by university library rather than by instructors using an LMS system):

Briefly, the fair use defense in this case centers on a program at Georgia State University (“Georgia State”) which allows a professor to make small excerpts of copyrighted books available to students enrolled in his or her class without paying royalties or other fees to the publisher. A fair use checklist is provided to assist in selecting the excerpts. The excerpts typically supplement an assigned textbook which students must purchase. Georgia State librarians scan the designated excerpts and upload them to a server. Class members then may download the excerpts to their computers and print them. The students must acknowledge and agree to respect the copyrighted nature of the materials. Some students bring the printed excerpts to class; others may read them in class on their computers. At the end of the course students’ access to the electronic excerpts ends.

Id.

⁸¹ *Id.* at § 107.

⁸² Harper & Row Publishers, Inc. v. Nation Enters., 471 U.S. 539, 562 (1985) (citations omitted) (“The crux of the profit/nonprofit distinction is not whether the sole motive of the use is monetary gain but whether the user stands to profit from exploitation of the copyrighted material without paying the customary price.”) *Id.*

business without permission suggests that the use is not a fair one.⁸³ For example, unless the material is in the public domain, use of clip art should be licensed.⁸⁴ On the other hand, the right of state universities and private universities to use short excerpts has been given a broad policy endorsement from *Cambridge Univ. Press v. Patton*⁸⁵ as well as from Google's successful defense of its Google Book Search Project that digitized and provided snippet views of millions of books onto the Internet⁸⁶ and millions more into an academic research consortium.⁸⁷

II. UNIVERSITY PATENTS

A. Patent Background

Patents reflect the broadest government protection of intellectual property. A person who invents a new, useful and nonobvious process; article of manufacture; or compositions of matters; or who invents a new useful improvement of such an invention, may obtain a utility

⁸³ See *id.* at 562–68. This suggestion is not a legal presumption and may be factually overshadowed. See *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 583–85 (1994) (commercial nature of the use is not dispositive because of the transformative use to which the parody song was put); *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 454–55 n.40 (1984) (recording entire copyrighted television shows may be fair use under the Copyright Act); *Recording Indus. Ass'n v. Diamond Multimedia Sys., Inc.*, 180 F.3d 1072, 1079 (9th Cir. 1999) (non-commercial use by a consumer to record music exempt from copyright liability, illustrating the fair use of such recording).

⁸⁴ *Marobie-FL, Inc. v. Nat'l Ass'n of Fire Equipment Distributors*, 983 F. Supp. 1167, 1176 (N.D. Ill. 1997) (finding that the use of unlicensed clip art was not fair use). The court described the organization's website thusly:

It is also undisputed that [the organization] uses its Web Page for the commercial purposes of promoting the association (whose members pay dues) and generating advertising revenue. The clip art files enhanced the Web Page and furthered these commercial purposes; they were clearly not placed on the Web Page for the purposes of criticism, comment, news reporting, teaching, scholarship, or research.

Id. at 1175.

⁸⁵ *Cambridge Univ. Press v. Patton*, 769 F.3d 1232 (11th Cir. 2014).

⁸⁶ *Authors Guild v. Google, Inc.*, 804 F.3d 202, 217 (2d Cir. 2015) (“Snippet view adds important value to the basic transformative search function, which tells only whether and how often the searched term appears in the book.”).

⁸⁷ *Authors Guild, Inc. v. HathiTrust*, 755 F.3d 87 (2d Cir. 2014) (noting that the snippet view now requires author's permission):

Beginning in 2004, several research universities including the University of Michigan, the University of California at Berkeley, Cornell University, and the University of Indiana agreed to allow Google to electronically scan the books in their collections. In October 2008, thirteen universities announced plans to create a repository for the digital copies and founded an organization called HathiTrust to set up and operate the HathiTrust Digital Library (or “HDL”). Colleges, universities, and other nonprofit institutions became members of HathiTrust and made the books in their collections available for inclusion in the HDL. HathiTrust currently has 80 member institutions and the HDL contains digital copies of more than ten million works, published over many centuries, written in a multitude of languages, covering almost every subject imaginable.

Id. at 90.

patent.⁸⁸ The inventor must file the patent application with the United States Patent and Trademark Office within one year of completing the invention.⁸⁹ The patent will last twenty years from the date of application.⁹⁰

Patents provide a tremendous degree of exclusivity; or, as provided by the law, “the right to exclude others from making, using, offering for sale, or selling the invention . . . or importing the invention into the United States.”⁹¹ Patents, like other intellectual property, are territorial, meaning that the filing of a United States patent applies only within the United States. Protection for the patented invention outside the United States requires a similar filing process in each country or groups of countries that coordinate through patent treaties.⁹² In addition to the utility patent, a plant patent provides similar protection for the invention of a distinct plant variety, so long as that plant variety is produced asexually.⁹³ There is also a design patent to protect “new, original and ornamental design[s].”⁹⁴

The federal government requires each patented invention to pass the stringent test of being new, useful, and nonobvious. Prior to receiving a patent, the applicant must submit a drawing and description of the invention to the Patent and Trademark Office for inspection.⁹⁵ The government will publish the information and compare it to all known materials related to the patent, referred to as the “prior art.”⁹⁶ If the prior art does not reveal that the idea had previously been used, a patent may be issued.

However, a patent may still be challenged in court, and many patents are invalidated by competitors who can show that there was additional prior art, that the specification described in the patent was too broad, or that there is some other defect in the patent.⁹⁷ The inventor must bear the expense of defending the patent from litigation.⁹⁸ As a result, patents are expensive to create and maintain. Nonetheless, they

⁸⁸ 35 U.S.C. § 101 *et seq.* (2012).

⁸⁹ See *id.* § 102(b); Scott R. Boalick, *Patent Quality and the Dedication Rule*, 11 J. INTELL. PROP. L. 215, 227 n. 82 (2004) (discussing how § 102(b) provides patentee one year to perfect the novelty of his or her invention and decide if he or she wants to pursue patent protection).

⁹⁰ 35 U.S.C. § 154(a)(2) (2012).

⁹¹ *Id.* § 154(a)(1).

⁹² Michael J. Harbers, *International Patent Cooperation*, 20 STAN. L. REV. 1000, 1017–18 (1968).

⁹³ 35 U.S.C. § 161 (2012).

⁹⁴ *Id.* § 171 (2012).

⁹⁵ *Id.* §§ 112(a), 113 (2012).

⁹⁶ *Id.* §§ 102(a), 122(b) (2012); Harbers, *supra* note 92, at 1000 (“Prior art is the existing body of knowledge from which patentability is measured, and is composed of patents, publications, and prior use.”).

⁹⁷ See Roger A. Ford, *Patent Invalidity Versus Noninfringement*, 99 CORNELL L. REV. 71, 73–74 (2013).

⁹⁸ See Boalick, *supra* note 90, at 256.

provide the most exclusive form of intellectual property ownership.

To assist with the filing of the patent, since 1995, the Patent and Trademark Office has allowed an inventor to file a provisional application.⁹⁹ A provisional application includes the written description of the invention, a list of the inventors, and the filing fee.¹⁰⁰ Generally, the provisional application will also include drawings to support the invention.¹⁰¹ The provisional application does not require the specific claims that will be asserted in the non-provisional patent¹⁰² —but, like the drawings, a more complete provisional application will be beneficial to provide support for the non-provisional patent application that will follow. The provisional application is not reviewed by the Patent Office, but instead serves as an effective start date for any patent that is later approved.¹⁰³ The provisional patent expires after twelve months,¹⁰⁴ so the non-provisional patent application must follow within the year. When used to extend the period for completing the patent and managing the costs of the patent process, the provisional patent application provides a useful tool for the innovator to manage the demands of invention development and intellectual property rights protection.

Just as a patent must be issued by the U.S. government, each foreign country issues its own patents.¹⁰⁵ Certain treaties allow companies to apply for more than one country's patent at a time; but, the process for seeking international patent protection is expensive, time consuming, and time sensitive.¹⁰⁶ Patenting is a process that requires careful professional legal assistance.

B. *Patent Ownership and Transfer*

Patent rights generally vest in the inventor of the patent.¹⁰⁷ The rules for patent ownership changed in 2011 with the America Invents Act.¹⁰⁸ Beginning with patent applications filed on or before September 16, 2012, the owner(s) of the patent are the parties that filed the application.¹⁰⁹ This rule changed the prior law, which vested the ownership of a patent in the named inventors.¹¹⁰ This change reflects a

⁹⁹ 35 U.S.C. § 111(b) (2012).

¹⁰⁰ *Id.*

¹⁰¹ *Id.*

¹⁰² *See id.* § 111(b)(2).

¹⁰³ *See id.* § 111(b)(4).

¹⁰⁴ *Id.* § 111(b)(5).

¹⁰⁵ Harbers, *supra* note 92, at 1000.

¹⁰⁶ *Id.* at 1014–16.

¹⁰⁷ *Banks v. Unisys Corp.*, 228 F.3d 1357, 1359 (Fed. Cir. 2000) (“The general rule is that an individual owns the patent rights to the subject matter of which he is an inventor, even though he conceived it or reduced it to practice in the course of his employment.”).

¹⁰⁸ Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) (codified as amended in scattered sections of 35 U.S.C.).

¹⁰⁹ *See* 37 C.F.R. § 3.73(a) (2017).

¹¹⁰ *See Beech Aircraft Corp. v. EDO Corp.*, 990 F.2d 1237, 1247–48 (Fed. Cir. 1993).

pragmatic understanding that many patents are immediately assigned from the inventor to the inventor's employer or corporate investor. It also serves to highlight the two primary exceptions to the rule that the inventor owns the patent—namely, those patents invented subject to an express agreement and those “where an employee is hired to invent something or solve a particular problem.”¹¹¹

The “hired-to-invent” doctrine is unduly vague, given the financial consequences involved, but it provides that an employer owns the inventions of an employee who creates patentable inventions as part of the employee's job duties.¹¹² This applies whether the invention is created during both work hours or on the employee's own time, provided the subject matter is covered by the inventor's employment duties.¹¹³ The hired-to-invent doctrine is more limited than the copyright work-for-hire doctrine, since the two intellectual property regimes look differently to the job duties.

When applying the hired-to-invent doctrine, the courts have focused on the employee's obligation to solve a particular problem as an objective of the employee's job duties.¹¹⁴ Under this limitation, developing patentable solutions to various challenges at one's place of work is insufficient to create a hired-to-invent relationship. In the context of research faculty, for example, the New Jersey Public Employment Relations Commission rejected an attempt by Rutgers University to rely on the hired-to-invent doctrine to transfer faulty patents to the university.¹¹⁵ Neither the category of employment to invent the specific item nor the category of employment to perform inventive work in a particular field from which the invention arose was incorporated in general faculty employment rules.¹¹⁶ Similarly, in a recent California dispute, the court explained that the hired-to-invent doctrine required the “employee's work [be] narrowly directed by the

¹¹¹ *Banks*, 228 F.3d at 1359.

¹¹² *See Gill v. United States*, 160 U.S. 426, 435 (1896) (“[I]f the patentee be employed to invent or devise such improvements, his patents obtained therefor[e] belong to his employer, since in making such improvements he is merely doing what he was hired to do.”).

¹¹³ *See* 3 STEVEN C. ALBERTY & CLIFFORD R. ENNICO, *ADVISING SMALL BUSINESSES* § 37:22 (2017); *see, e.g., Mainland Indus., Inc. v. Timberland Machs. & Eng'g Corp.*, 649 P.2d 613, 618–19 (Or. Ct. App. 1982).

¹¹⁴ *See Banks*, 228 F.3d at 1359 (holding “where an employee is hired to invent something or solve a particular problem, the property of the invention related to this effort may belong to the employer.”).

¹¹⁵ *See Rutgers, The State Univ. v. Rutgers Council of AAUP Chapters*, P.E.R.C. No. 2004-64, 30 N.J.P.E.R. ¶ 44, 2004 WL 6013695 (2004) (“While Rutgers at some points, maintains that it owns faculty members' inventions as a matter of statutory and common law, it has not offered any particularized facts on this point and has not shown that all faculty members are ‘hired to invent.’” (citation omitted)), *aff'd in part, rev'd in part*, *Rutgers Council of AAUP Chapters v. Rutgers, The State Univ.* 381 N.J. Super. 63 (N.J. Super. Ct. App. Div. 2005).

¹¹⁶ *See id.*

employer towards the resolution of a specific problem.”¹¹⁷ As a result of these constructions, faculty members do not divest themselves of their inventions merely because of their employee status.

Although the hired-to-invent doctrine does not define the faculty-university employment relationship, obligations under federal law require that universities take an ownership interest in most federally-funded research. In 1980, Congress enacted the Patent & Trademark Act Amendments of 1980, known as the Bayh-Dole Act,¹¹⁸ which provides for specific rules governing federally-funded research and largely defines the practices at most universities. The Bayh-Dole Act does not transfer the ownership of the patent, but instead creates obligations for the recipients of the federal funding.¹¹⁹

To meet the Bayh-Dole Act obligations, most universities have very expansive patent transfer agreements that are incorporated into employee handbooks, require express adoption by faculty members as part of grant requests, or both.¹²⁰ These policies vary significantly from university to university—but, in general, they provide for an automatic assignment of all inventions created by an employee faculty member during the term of employment to the university in exchange for support in research, development, and prosecution of the patentable inventions.¹²¹ The Nolo Legal Encyclopedia¹²² provides an excellent summary:

The Bayh-Dole Act works like this:

First, a government agency decides to sponsor (pay for) research by a university’s faculty, with the university acting as the contractor.

The university must have written agreements with its faculty and technical staff requiring disclosure and assignment of inventions.

If faculty develop an invention arising from the research, they must disclose it to the university and the university must disclose it to the federal government within two months.

¹¹⁷ *Peregrine Semiconductor Corp. v. RF Micro Devices, Inc.*, No. 3:12-CV-0911-H (WMC), 2014 WL 67509, at *3 (S.D. Cal. Jan. 8, 2014).

¹¹⁸ See Pub. L. No. 96-517, 94 Stat. 3015 (1980) (codified as amended at 35 U.S.C. §§ 200–212 (2012)).

¹¹⁹ See *Bd. of Trs. of Leland Stanford Junior Univ. v. Roche Molecular Sys., Inc.*, 563 U.S. 776, 790 (2011) (“The Bayh–Dole Act does not confer title to federally funded inventions on contractors or authorize contractors to unilaterally take title to those inventions.”).

¹²⁰ See Stephen T. Black, *Psst! Wanna Buy a Bridge? IP Transfers of Non-Existent Property*, 31 GA. ST. U. L. REV. 523, 523, 525 (2015).

¹²¹ See generally *id.*

¹²² See *University Employees and Patents: When do university employees own inventions?*, NOLO, <https://www.nolo.com/legal-encyclopedia/university-employees-patents.html> (last visited Jan. 29, 2017).

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The university then has two years to decide whether to retain title to the invention; if it keeps ownership, the federal government gets a shop right in the invention.

If the university keeps title to the invention, it must patent it.

The university may then license the invention, giving preference to companies with 500 or fewer employees (however, if a larger company helped fund the invention, it may receive a license).

The faculty members who developed the invention must receive a percentage of the royalties the university earns.

If the university doesn't want to keep ownership of the invention, the federal government may elect to take it (something it does relatively rarely). If the government doesn't want it, [the faculty member inventor] can petition the federal agency involved to [let the faculty member inventor] have ownership. These requests are usually granted.¹²³

Even if none of these situations apply, the employer may obtain a right to use the invention if the employer's resources were used to create the invention. Known as the "shop right" doctrine, this equitable rule gives to the employer the right to use the invention for its own benefit, but not to own or control the patent obtained by the employee.¹²⁴ It is a court-created payback for the materials, space, and other resources utilized by the employee for the employee's benefit rather than the benefit of the employer.

Once the initial ownership of the patent is established, the patent is often transferred. For the inventor to transfer or assign the patent (or make any subsequent transfer), the assignment must be in writing and signed by the transferring party.¹²⁵ While there is some ambiguity regarding employee manuals, generally, university handbooks and other binding policies will meet these requirements.¹²⁶

The agreements must be specific. For faculty research, the university will require a policy that automatically assigns all patentable research and inventions.¹²⁷ The two phrases "I will assign" and "I will assign and do hereby assign" have been held to demonstrate the distinction between a mere promise to assign the patent rights, which provides merely equitable rights, and a present assignment, which

¹²³ *Id.*

¹²⁴ See Dreyfuss, *supra* note 24, at 1212.

¹²⁵ See 35 U.S.C. § 261 (2012).

¹²⁶ See, e.g., Fenn v. Yale Univ., 283 F. Supp. 2d 615, 628–29 (D. Conn. 2003) ("University patent policies such as Yale's have long been recognized as a valid and enforceable part of the contract of employment.").

¹²⁷ See Shannon H. Hedvat, Note, *A New Age of Pro-Employer Rights: Are Automatic Assignments the Standard?*, 13 U. PA. J. BUS. L. 817, 821 (2011).

provides transfer of patent ownership.¹²⁸ Only the present assignment of the patent ownership will transfer the patent to the intended owner.

III. THE SPECIAL CASE OF STUDENT WORK

A. *The Student Conundrum*

Students create a special case for university ownership of intellectual property.¹²⁹ They are sometimes employees, they are sometimes involved in research under guidance of faculty for academic credit, and they are sometimes involved in their own, independent development of patentable and copyrightable work product.¹³⁰ As such, each of these situations should be individually addressed. Moreover, the relationship between universities and their students may be notably different for graduate students—who are funded and often serve in employment-like situations—from those of undergraduate, tuition-paying students.

Universities tend to sweep students into university invention policies,¹³¹ but neither the law nor public sentiment will necessarily support such an assumption. Posted policies relating to employees generally do not have the same contractual agreement and consideration for students.

B. *Agreements and Policy Disclosures*

Universities can eliminate this ambiguity by having each student sign an agreement that specifies which patentable inventions and copyrightable works are assigned to the university and which are retained by the student. As with faculty, these policies, to be effective, should be in writing and actually signed by the student. This step is rarely, if ever, taken by the university. The unwillingness of universities to require this signature highlights the lack of any political will for

¹²⁸ See *Bd. of Trs. of Leland Stanford Junior Univ. v. Roche Molecular Sys., Inc.*, 583 F.3d 832, 841–42 (Fed. Cir. 2009), *aff'd*, 563 U.S. 776 (2011). The rights assigned are “my right, title, and interest in each of the ideas, inventions and improvements.” *Id.* at 837 (citation omitted). These are still future inventions, so the distinction does not turn on the lack of a present vested interest in the invention. See *id.* at 842.

¹²⁹ See Nathaniel S. Strauss, *Anything but Academic: How Copyright’s Work-for-Hire Doctrine Affects Professors, Graduate Students, and K-12 Teachers in the Information Age*, 18 RICH. J.L. & TECH. 1, 45–46 (2011).

¹³⁰ See *id.* at 45 (“Many universities employ non-teaching faculty and postdoctoral fellows. . . . Universities also employ students, both at the graduate and undergraduate level; those students often contribute to scholarly articles written by their faculty advisors.”).

¹³¹ See, e.g., COLUMBIA UNIV., *Appendix D - Statement of Policy on Proprietary Rights in the Intellectual Products of Faculty Activity*, in COLUMBIA UNIVERSITY FACULTY HANDBOOK (2008), found at <http://www.columbia.edu/cu/vpaa/handbook/appendixd.html> (“On October 17, 1992, the Trustees, on the recommendation of the University Senate, made the Policy Statement applicable to all students of the University, regardless of whether they hold appointments as student officers of instruction and research or not.”).

universities to actually grab these inventions and works. In the absence of a signed agreement, the general legal rules continue to apply.

For non-employee students,¹³² there can be no copyright work-for-hire doctrine vesting of a work with the university nor any hired-to-invent transfer of a patentable invention to the university. Any assignment must, therefore, be subject to a contractual agreement. Instead of having a signed agreement, many universities rely on an intellectual property policy posted somewhere on its website.¹³³ These notices raise the legal concern that they do not constitute contracts between the university and the student-author or student-inventor.

At the outset, there is ambiguity as to whether the relationship between the student and the university is ever one bound by contract. There is a trend towards recognizing the general relationship between student and university as a contractual relationship, but this is not settled law or practice. As noted in *The Law of Higher Education*:

The contract theory of the relationship between students and institutions is still developing. Debate continues on issues such as the means for identifying the terms and conditions of a student-institution contract, the extent to which a school catalog constitutes part of the contract, and the extent to which the institution retains an implied or inherent authority . . . not expressed in any written regulation or policy.¹³⁴

Beyond the general principles of the contractual relations, the stated contractual terms will also be highly relevant. Universities often disclaim a contractual relationship between the institution and the students in the text of the school catalog.¹³⁵ Universities invariably reserve the right to amend their policies,¹³⁶ weakening the assertion that the policies and procedures constitute a contract; since a contract that can be unilaterally changed by one of the parties is not a binding agreement until the amended agreement has been accepted by the other party.¹³⁷

¹³² A student may be an employee by being a salaried employee or receiving funding for tuition assistance in exchange for services. See *Trs. of Columbia Univ. & Graduate Workers of Columbia—GWC, UAW*, 364 N.L.R.B. No. 90, 2016 WL 4437684 (Aug. 23, 2016).

¹³³ See, e.g., *Intellectual Property Policy*, BOSTON U., <https://www.bu.edu/academics/policies/intellectual-property-policy> (last visited Jan. 30, 2018); *Statement of Policy in Regard to Intellectual Property (IP Policy)*, HARV. OFF. TECH. DEV., <http://otd.harvard.edu/faculty-inventors/resources/policies-and-procedures/statement-of-policy-in-regard-to-intellectual-property/> (last visited Jan. 30, 2018).

¹³⁴ WILLIAM A. KAPLIN & BARBARA A. LEE, *THE LAW OF HIGHER EDUCATION, STUDENT VERSION 300* (4th ed. 2007).

¹³⁵ See *id.* at 298–99.

¹³⁶ See *id.*

¹³⁷ See Stephen Y. Chow, *A Snapshot of Online Contracting Two Decades After ProCD v. Zeidenberg*, 73 *BUS. LAW.* 267, 268 (2018) (“[Courts] generally found enforceable those schemes that included a click-to-agree button near a means to view the terms, and also looked for (and

Further weakening the university position, documents claiming to assert patent or copyright ownership for non-employee students are not typically embedded in the student catalog, but instead appear on the university's websites—though generally not on pages identified for students.¹³⁸ While “courts have consistently enforced browsewrap agreements where the user had actual notice of the agreement,”¹³⁹ universities will be hard-pressed to establish actual knowledge for the student body merely because the policy has been posted somewhere on the university website.¹⁴⁰

The demonstration of universities' rights is further complicated by the varying practices universities adopt for faculty. Universities generally do not rely on the mere publication of these policies to bind their faculty, but instead often require faculty members to sign either transfer agreements or employee handbooks.¹⁴¹ In addition, courts may

generally found) constructive notice of terms in browsewrap or sign-up-wrap schemes that did not expressly tie continued use to acceptance of the terms.”); *see also* Juliet Moringiello & John Ottaviani, *Online Contracts: We May Modify These Terms at Any Time, Right?*, BUS. L. TODAY (May 7, 2016), <https://www.americanbar.org/publications/blt/2016/05/07moringiello.html> (“Traditional contract doctrine clearly forbids the unilateral modification of contracts and treats a proposed modification as an offer that is not binding until accepted.”).

¹³⁸ *See, e.g., Intellectual Property*, PRINCETON U.: OFF. DEAN FAC., <https://dof.princeton.edu/policies-procedure/policies/intellectual-property> (last visited Feb. 1, 2018); *Intellectual Property Policy*, DEPAUW U., <https://www.depauw.edu/handbooks/employee-guide/ipp> (last visited Feb. 1, 2018); *Intellectual Property Policy*, MONT. ST. U., http://www.montana.edu/policy/faculty_handbook/intellectual_property.html (last visited Jan. 31, 2018).

¹³⁹ *Nguyen v. Barnes & Noble Inc.*, 763 F.3d 1171, 1176 (9th Cir. 2014) (A browsewrap agreement is one where a website places its terms and conditions of use in a hyperlink at the bottom of the page, and is generally accompanied by “a notice [to the user] that—by merely using the services of . . . the website—the user is agreeing to and is bound by the site’s terms of service.” (citation omitted)).

¹⁴⁰ *See id.* at 1179 (“[C]onsumers cannot be expected to ferret out hyperlinks to terms and conditions to which they have no reason to suspect they will be bound.”); *see also* *Mohammed v. Uber Techs., Inc.*, 237 F. Supp. 3d 719, 731 n.8 (N.D. Ill. 2017) (quoting *Tompkins v. 23andMe, Inc.*, No. 5:13-CV-05682-LHK, 2014 U.S. Dist. LEXIS 88068, at *22 (N.D. Cal. June 25, 2014)); *Be In, Inc. v. Google Inc.*, No. 12-CV-03373-LHK, 2013 WL 5568706, at *6 (N.D. Cal. Oct. 9, 2013) (“The defining feature of browsewrap agreements is that the user can continue to use the website or its services without visiting the page hosting the browsewrap agreement or even knowing that such a webpage exists.”).

¹⁴¹ *See* G. Kenneth Smith, *Faculty and Graduate Student Generated Inventions: Is University Ownership A Legal Certainty?*, 1 VA. J.L. & TECH. 4, 17 (1997) (“Irrespective of the type of policy a particular institution chooses to pursue it will usually require a new hire to sign a Patent Disclosure and Assignment Agreement as a condition of employment. Alternatively, a new employee will sign an agreement by which she will be bound to the policies and rules stated in the Faculty Handbook.”); *see generally*, FACULTY HANDBOOKS AS ENFORCEABLE CONTRACTS: A STATE GUIDE, AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS viii (2009), <https://www.aaup.org/NR/rdonlyres/3F5000A9-F47D-4326-BD09-33DDD3DBC8C1/0/FacultyHandbooksasEnforceableContractsmall.pdf> (“A faculty member, however, almost always has a contract or letter of appointment. Courts are often asked to decide whether a faculty handbook— which includes policies, rules, and procedures under which professors work— also establishes a contractual relationship between a professor and an institution”).

also insist on more than mere notice for terms as significant as the transfer of copyright and patent interests.¹⁴² “Reasonably conspicuous notice of the existence of contract terms and unambiguous manifestation of assent to those terms by consumers are essential if electronic bargaining is to have integrity and credibility.”¹⁴³ Universities seeking to assert property rights in reliance on published intellectual property policies will be hard-pressed to meet this standard.

Taken as a whole, the lack of any meaningful agreement, inconsistent policy practices, and the implication of highly material terms strongly undermine the assertions made by universities that students automatically assign all student-initiated inventive works. This is not really a problem because universities do not actually expect the policies to be implemented in this fashion.¹⁴⁴

Intellectual property policies are not generally enforced by universities—at least not in the manner called for by the policies. First, some universities focus on patents and know-how rather than copyright,¹⁴⁵ except for some software development.¹⁴⁶ Second, an untold number of student-generated songs, poems, plays, dance routines, business ideas, games, apps, videos, and inventions created by students go unknown and ignored by universities each year.¹⁴⁷ Few of these gain the attention of the respective university technology transfer offices, and even fewer have a meritorious economic future. No one knows the scope of copyrighted works and patent-eligible inventions that are annually created in academia. These realities simply reflect that the process of creativity and invention is often messy and inefficient. Reality also reflects that the mission of higher education is to develop the skills and further the knowledge of students; thus, this experimentation is central to the institutional purpose.¹⁴⁸

Many universities understand these realities and do not make such generalized ownership claims on the works of their students. Instead, these institutions create opportunities for students to seek support, and they provide that support when it is beneficial.¹⁴⁹ Under this model,

¹⁴² See, e.g., *Berkson v. Gogo LLC*, 97 F. Supp. 3d 359, 393 (E.D.N.Y. 2015) (discussing the unenforceability of incomplete contracts and those that incorporate material alterations to electronic contracts of adhesion).

¹⁴³ *Specht v. Netscape Commc'ns. Corp.*, 306 F.3d 17, 35 (2d Cir. 2002).

¹⁴⁴ See Jacob H. Rooksby, *A Fresh Look at Copyright on Campus*, 81 MO. L. REV. 769, 773 (2016).

¹⁴⁵ See Anthony J. Luppino, *Fixing a Hole: Eliminating Ownership Uncertainties to Facilitate University-Generated Innovation*, 78 UMKC L. REV. 367, 378–79 (2009).

¹⁴⁶ See Rooksby, *supra* note 144, at 775–76.

¹⁴⁷ An alternative model would require every student-generated video posted to social media be submitted to the university for an assessment of its potential monetization, and every other copyrightable or patentable work assessed for its commercialization potential.

¹⁴⁸ See Rooksby, *supra* note 144, at 772.

¹⁴⁹ See Luppino, *supra* note 145, at 369.

which is growing in popularity, universities obtain a stake in select projects through negotiations with students after the students initiate the negotiation. The value of prosecuting the patent on behalf of the students, obtaining financing, and providing supervisory assistance, may well incentivize students to work with the university. The same holds true with monetizing an app or other copyrighted work.¹⁵⁰

To assist this process, the university would be well-served to have a published schedule providing a range of services it may elect to provide and the ownership stake it will acquire in exchange for those services. A published schedule such as this can help students plan and will assist in reducing fears students may have regarding specific treatment during the assessment process.

These published policies and rules should specify that, when work is funded through federal grants or is conducted as part of the university's research, then ownership vests in the university and not in the student. Such sections should have a present assignment of any rights acquired so that claims related to the core research of the university are not confounded with claims of students participating in university research projects.¹⁵¹

C. *Student Employees and Credit-Earning Workers*

Written policies should be the standard practice for all situations. Student employees are increasingly being recognized as having the same rights and responsibilities as other university employees. This trend began in the public sector in 1969, when the University of Wisconsin in Madison became the first institution of higher education to recognize graduate student employees.¹⁵² In 2002, New York University became the first private university to recognize graduate students as employees with the right to unionize.¹⁵³ Today, recent data shows that thirty-three universities spanning across seventeen states have joined them in formally recognizing the employment status of graduate teaching and research employees.¹⁵⁴ In 2016, the National Labor

¹⁵⁰ See Rooksby, *supra* note 144, at 777–78.

¹⁵¹ See, e.g., Hedvat, *supra* note 127, at 827–28 (arguing to avoid ambiguity in structuring terms of automatic assignments when drafting employment contracts).

¹⁵² See Trs. of Columbia Univ. & Graduate Workers of Columbia–GWC, UAW, 364 N.L.R.B. No. 90, 2016 WL 4437684 (Aug. 23, 2016), at *10 (citing J. BERRY & M. SAVARESE, DIRECTORY OF U.S. FACULTY CONTRACTS AND BARGAINING AGENTS IN INSTITUTIONS OF HIGHER EDUCATION (2012)). While acknowledging that public universities are not governed by the National Labor Relations Act, the Board's majority acknowledged that, "[e]ven so, the experience with graduate-student collective bargaining in public universities is of relevance in applying the Act, as the closest proxy for experience under the Act." *Id.*

¹⁵³ See Tammy Binford, *Why NLRB's Columbia University Grad Student Ruling Doesn't Bode Well for Other Employers*, 23 NO. 9 N.Y. EMP. L. LETTER 4 (2016).

¹⁵⁴ See TERESA KROEGER ET AL., THE STATE OF GRADUATE STUDENT EMPLOYEE UNIONS, ECON. POL'Y INST. 7 (2018) (citing *United States*, COALITION GRADUATE STUDENT UNIONS, http://www.thegeu.org/wiki/United_States (last visited Jan. 31, 2018)).

Relations Board (“NLRB”) acknowledged these developments in a case involving Columbia University, and, in doing so, reversed an earlier decision that held student assistants were not employees under federal labor rules.¹⁵⁵ While universities may be leery of union activity, the NLRB’s recognition of employment status does reinforce the ability of universities to impose job-duty obligations on student employees, including work-for-hire copyright ownership and hired-to-invent research expectations.

Although the Columbia University decision may be reversed by the current Republican-dominated NLRB,¹⁵⁶ analyzing student workers as employees should remain the standard for purposes of common law analysis under copyright and patent law. Moreover, universities should be mindful that if one university policy asserts an employee relationship and another policy denies that same relationship, there may be adverse consequences to the university in the administration of both policies.

As a result of the growing expectation that graduate research students are employees, the employee policies should specifically include student employment and funded graduate students by category in the written policy. The best practice is to have these student-employees sign an acknowledgement as to their understanding of these policies, but, as with other employees, signing receipt of an employment manual will generally serve the same purpose of putting the students on notice of their obligation to the university.

The rules governing non-employee students who conduct research in credit-earning courses and capstones further highlights the ambiguity inherent in the law governing students and further reinforces the need for enforceable written policies.¹⁵⁷ While such students are not employed by the university, they are utilizing university resources to help develop copyrightable works and patentable inventions. In ideation classes, incubators, maker spaces, and other university-sponsored environments, these students are experimenting, developing, and growing projects that could lead to revenue-generating ideas.¹⁵⁸

These situations do not create an employer-employee relationship, so the application of work-for-hire and hired-to-invent ownership transfers generally do not apply. These environments do, however,

¹⁵⁵ See *Trs. of Columbia Univ. & Graduate Workers of Columbia–GWC, UAW*, 364 N.L.R.B. No. 90, 2016 WL 4437684 (Aug. 23, 2016), at *5 (“Where student assistants have an employment relationship with their university under the common law test—which they do here—this relationship is sufficient to establish that the student assistant is a Section 2(3) employee for all statutory purposes.”).

¹⁵⁶ See Hallie Detrick, *This New Republican Majority May Start Undoing Obama-Era Labor Laws*, *FORTUNE* (Sept. 26, 2017), <http://fortune.com/2017/09/26/nlr-labor-workers-rights-william-emanuel>.

¹⁵⁷ See Rooksby, *supra* note 144, at 783–85.

¹⁵⁸ See *id.* at 783.

suggest the shop right doctrine in patent law, which grants the provider of resources used to develop an invention a personal right to use the patent but not to exploit it in any other manner.¹⁵⁹ As such, shop rights do not give the university any right to sell or license the invention, merely the ability to continue internally using those rights.¹⁶⁰ Whether shop rights apply in this situation also remains an untested question.

Again, as with the other situations, the best practice is for the university to adopt a clear policy regarding the copyrighted works and patented inventions under development in the environment. For classes, this information should be in the course catalog and course syllabus. For the maker spaces and ideation labs, these terms must be incorporated into the terms of use. If this is done, then the rules for the university and the student become clear, and conflicts can be avoided.

D. *Conflicts among Competing Agreements*

As highlighted in the Stanford University conflict involving Roche,¹⁶¹ faculty and students are often called upon to sign assignment agreements outside the university as well as within the university. At a minimum, each university should review its internal policies and procedures to assure that policies are consistent and up-to-date.

The challenge is much greater when the students are subject to outside agreements. For example, assume a person was employed by a research company and signed a present transfer of all inventions, then later becomes a student-employee working part-time doing faculty-directed research. In this situation, the first assignment would govern, and the university would risk losing the inventions of the student-employee. There are many Ph.D. candidates and post-docs whose work product may be subject to both commercial and university assignments. In addition, a similar problem may occur if the university “loans out” students to work on industry research projects as part of capstone projects and in other settings.¹⁶²

In these situations, reliance on general policies may not have the intended outcome. Instead, universities should undertake to ensure that assignment agreements clearly specify the particular areas of research to be covered. The student with conflicting obligations to industry and the university will need to amend the agreement with the first employer to narrow the scope of the first agreement in order to enable the research work to continue at the university. This may require the university

¹⁵⁹ See Dreyfuss, *supra* note 24, at 1212.

¹⁶⁰ See *id.*

¹⁶¹ See Bd. of Trs. of Leland Stanford Junior Univ. v. Roche Molecular Sys., Inc., 563 U.S. 776, 780–81 (2011).

¹⁶² See Rooksby, *supra* note 144, at 783–84 (referencing a 2010 study that suggested “somewhere between 40% and 64% of all course sponsors in engineering require the transfer of at least some student intellectual property.” (footnote omitted)).

become involved in establishing a three-way agreement, not only to ensure that the patentable inventions are properly segmented but also to ensure that the two roles of the student—as both employee and researcher—will not invalidate the work being done with either or both organizations. This step is essential to assure that the university remains in full compliance with the Bayh-Dole Act.

E. *Conflicts with NCAA Policy for Student Ownership of Publicity Rights*

There is one additional area in which student employment rules and intellectual property policies have come into striking conflict—the tension between the student athlete and video game licensee over the rights to exploit the athlete’s name, likeness, and identity for commercial purposes. Under the National Collegiate Athletic Association’s (“NCAA”) amateurism rules, a student athlete must remain an amateur to be “eligible for inter-collegiate athletics participation in a particular sport.”¹⁶³ To remain an amateur, the student cannot be paid as a result of participation in the sport, nor can the student use a name or likeness to “advertise, recommend or promote directly the sale or use of a commercial product or service”¹⁶⁴

As a result, the NCAA amateurism policy prohibits the student athlete from exploiting the rights of publicity while instead allowing the university to take advantage of those same attributes for university commercialism purposes.

Rights of publicity are created under state law. Although not every state has yet to address the issue, most jurisdictions recognize these rights under some combination of statute and common law.¹⁶⁵ “The right of publicity is an intellectual property right of recent origin which has been defined as the inherent right of every human being to control the commercial use of his or her identity.”¹⁶⁶ Students, of course, fall into this category. And, as increasingly recognized, publicity rights

¹⁶³ *Hart v. Elec. Arts, Inc.*, 717 F.3d 141, 145 (3d Cir. 2013) (citing NCAA, 2011-12 NCAA DIVISION I MANUAL § 12.01.1 (2011) (“Only an amateur student-athlete is eligible for inter-collegiate athletics participation in a particular sport.”)).

¹⁶⁴ *Id.*

In relevant part, these rules state that a collegiate athlete loses his or her ‘amateur’ status if (1) the athlete ‘[u]ses his or her athletics skill (directly or indirectly) for pay in any form in that sport,’ . . . or (2) the athlete ‘[a]ccepts any remuneration or permits the use of his or her name or picture to advertise, recommend or promote directly the sale or use of a commercial product or service of any kind,’

See NCAA, 2011-2012 NCAA DIVISION I MANUAL §§ 12.1.2, 12.5.2.1.

¹⁶⁵ See generally *Statutes & Interactive Map*, RIGHT OF PUBLICITY, <http://rightofpublicity.com/statutes> (last visited Feb. 18, 2018) (“The current count is 38 states with some form of common law precedent, and 22 states with some form of Right of Publicity statute. Alabama, Hawaii and Pennsylvania are among the most recent states to pass a new Right of Publicity statute”)

¹⁶⁶ *ETW Corp. v. Jireh Publ’g, Inc.*, 332 F.3d 915, 928 (6th Cir. 2003).

create a very important tool for the individual to control one's presence in the public sphere and manage the commercial integrity of goods and services with which the person will be forever associated.¹⁶⁷

However, an athlete generally does not obtain intellectual property rights over the games in which they participate, including the copyright and publicity rights inherent in those broadcasts.¹⁶⁸ “First, it is doubtful whether a sports event is a copyrightable work. To the extent that courts have considered the question, most courts have concluded that a sports game itself (as opposed to a broadcast of the game) is not copyrightable.”¹⁶⁹

Second, courts have historically been unsympathetic to athletes in general, and student athletes in particular, when it comes to their economically independent rights.¹⁷⁰ For example, in an early decision involving athlete broadcasts, the Court added this assessment of college football: “if there be telecasts of an intercollegiate football game, the players, knowing or having reasonable grounds to know that the contest was being telecast, would be presumed to have waived any right to compensation for their performances by participating in the contest.”¹⁷¹

Despite the historical trends, a series of recent cases involving the right of student athletes to control their publicity rights in video games have upset these expectations. In a series of cases brought by Samuel Keller,¹⁷² Ryan Hart,¹⁷³ and Ed O'Bannon,¹⁷⁴ the former players

¹⁶⁷ See Kristina M. Seseck, *Twitter Or Tweeter: Who Should Be Liable for a Right of Publicity Violation Under the CDA?*, 15 MARQ. INTELL. PROP. L. REV. 237, 240 (2011).

The notion of the right of publicity arose in the American legal community as a result of three pivotal law review articles. It was not until sixty-three years after the publication of these articles, in 1953, that Judge Frank of the Second Circuit Court of Appeals coined the term ‘right of publicity.’ The Supreme Court recognized the right of publicity in 1977, as it noted the following different motivations behind the right of privacy and the right of publicity: economic interests drive the right of publicity, while privacy protections drive the right of privacy.

(quoting *Haelan Labs., Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866, 868 (2d Cir. 1953) (citing *Zacchini v. Scripps-Howard Broad. Co.*, 433 U.S. 562, 576 (1977)); see also Michael Madow, *Private Ownership of Public Image: Popular Culture and Publicity Rights*, 81 CAL. L. REV. 125 (1993).

¹⁶⁸ *Hoopla Sports & Entm't, Inc. v. Nike, Inc.*, 947 F. Supp. 347, 354 (N.D. Ill. 1996) (citation omitted); *National Basketball Ass'n v. Sports Team Analysis & Tracking Sys., Inc.*, 931 F.Supp. 1124, 1142–45 (S.D.N.Y.1996); see also Michelle R. Hull, *Sports Leagues' New Social Media Policies: Enforcement Under Copyright Law and State Law*, 34 COLUM. J.L. & ARTS 457, 468 (2011) (“Academics contend that any claim of copyright infringement in the underlying games must fail because athletic events are not copyrightable.”) (citing 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 2.09[F] (2010)).

¹⁶⁹ *Hoopla Sports & Entm't, Inc. v. Nike, Inc.*, 947 F. Supp. 347, 354 (N.D. Ill. 1996) (citation omitted); see also *National Basketball Ass'n v. Sports Team Analysis & Tracking Sys., Inc.*, 931 F.Supp. 1124, 1142–45 (S.D.N.Y.1996).

¹⁷⁰ See Richard T. Karcher, *Broadcast Rights, Unjust Enrichment, and the Student-Athlete*, 34 CARDOZO L. REV. 107, 122 (2012).

¹⁷¹ *Ettore v. Philco Television Broad. Corp.*, 229 F.2d 481, 487 (3d Cir. 1956).

¹⁷² *In re NCAA Student-Athlete Name & Likeness Licensing Litig.*, 724 F.3d 1268, 1271 (9th Cir. 2013) (“Samuel Keller was the starting quarterback for Arizona State University in 2005

challenged the NCAA amateurism rules and the failure of Electronic Arts to compensate the athletes for the use of their athletic identities in NCAA-themed video games.

In *Brown v. Entertainment Merchants Ass'n*,¹⁷⁵ the Supreme Court had ruled that video games are like television, film, and other media, and it affirmed that video games are a medium entitled to the full extent of the First Amendment protection.¹⁷⁶ In *Brown*, the Supreme Court ended all state efforts to protect minors from the potential harm of ultra-violent video games.¹⁷⁷ “Like the protected books, plays, and movies that preceded them, video games communicate ideas—and even social messages—through many familiar literary devices (such as characters, dialogue, plot, and music) That suffices to confer First Amendment protection.”¹⁷⁸

Given the judicial history that players were not co-authors of the content of sporting events and the broad sweep of First Amendment protection to video games, an inference developed that the use of a person’s identity in a video game would not require the licensing of publicity rights, just as such a use does not require licensing in a news broadcast or filmed biography.¹⁷⁹ Instead of using this approach,

before he transferred to the University of Nebraska, where he played during the 2007 season.”). Other named players in this litigation were “Edward O’ Bannon, Jr. (UCLA), Byron Bishop (University of North Carolina), Michael Anderson (University of Memphis), Danny Wimprine (University of Memphis), Ishmael Thrower (Arizona State University), Craig Newsome (Arizona State University), Damien Rhodes (Syracuse University), and Samuel Jacobson (University of Minnesota).” *Id.* at 1272 n.2.

¹⁷³ *Hart v. Elec. Arts, Inc.*, 717 F.3d 141,145 (3d Cir. 2013) (“Hart was a quarterback, player number 13, with the Rutgers University NCAA Men’s Division I Football team for the 2002 through 2005 seasons.”).

¹⁷⁴ *O’ Bannon v. Nat’l Collegiate Athletic Ass’n*, 802 F.3d 1049, 1055 (9th Cir. 2015) (Ed O’ Bannon was a former All-American basketball player at UCLA.).

¹⁷⁵ *Brown v. Entm’t Merchs. Ass’n*, 564 U.S. 786 (2011).

¹⁷⁶ *Id.* at 792–93.

¹⁷⁷ *Id.* at 793–94. Prior to the *Brown* Supreme Court decision, there were a number of lower court rulings on this issue, including *Interactive Dig. Software Ass’n v. St. Louis Cty.*, 329 F.3d 954 (8th Cir. 2003); *Am. Amusement Mach. Ass’n v. Kendrick*, 244 F.3d 572 (7th Cir. 2001); *Video Software Dealers Ass’n v. Schwarzenegger*, No. C-05-04188 RMW, 2007 WL 2261546 (N.D. Cal. Aug. 6 2007); *Entm’t Software Ass’n v. Foti*, 451 F. Supp. 2d 823 (M.D. La. 2006); *Entm’t Software Ass’n v. Hatch*, 443 F. Supp. 2d 1065 (D. Minn. 2006); *Entm’t Software Ass’n v. Granholm*, 426 F. Supp. 2d 646 (E.D. Mich. 2006); *Entm’t Software Ass’n v. Blagojevich*, 404 F. Supp. 2d 1051 (E.D. Ill. 2005); and *Video Software Dealers Ass’n v. Maleng*, 325 F. Supp. 2d 1180 (W.D. Wash. 2004).

¹⁷⁸ *Brown*, 564 U.S. at 790.

¹⁷⁹ See *Sarver v. Chartier*, 813 F.3d 891, 905–06 (9th Cir. 2016) (holding that Jeffrey Sarver, the subject of the film *The Hurt Locker*, has no cause of action outside of defamation or false light); *Cartoons, L.C. v. Major League Baseball Players Ass’n*, 95 F.3d 959, 972 (10th Cir. 1996) (“Because celebrities are an important part of our public vocabulary . . . [r]estricting the use of celebrity identities restricts the communication of ideas.”); *Guglielmi v. Spelling-Goldberg Productions*, 603 P.2d 454, 460 (Cal. 1979) (Bird, C.J., concurring) (“Surely, the range of free expression would be meaningfully reduced if prominent persons in the present and recent past were forbidden topics for the imaginations of authors of fiction.”).

however, in *Hart v. Electronic Arts, Inc.*,¹⁸⁰ and *O'Bannon v. National Collegiate Athletic Ass'n*,¹⁸¹ the Third Circuit and Ninth Circuit instead started with the premise that a license is needed unless the use is “transformative” under the test developed by California courts.¹⁸²

In these cases, the two federal circuits assessed the transformative nature of the video games’ incorporation of collegiate athletes’ statistics, jersey numbers, height, weight, facial features, and in some cases, biographical information, finding that such use constituted an appropriation of the players’ identities in a non-transformative manner that required a license from the athlete.¹⁸³

The result of the litigation was the establishment of the publicity rights claim by the athletes and pressure to revise the amateurism rules. A settlement was reached with Electronic Arts, the game publisher, for a fund reported to be sixty million dollars.¹⁸⁴ Over 140,000 athletes were eligible for compensation under the settlement agreement.

The settlement also established that students do not lose their rights merely by agreeing to serve as athletes or students involved in the educational process. The decisions and the settlements provide yet another example that universities must take the rights of students into account rather than assuming that those rights can be easily violated by referencing a handbook or policy manual. While these decisions will eventually be overturned as the medium of video games is better understood by the courts, the right to protect the commercial

¹⁸⁰ *Hart v. Elec. Arts, Inc.*, 717 F.3d 141, 175 (3d Cir. 2013) (Although the transformative test permits the use of one’s likeness as “raw material” in a creative work, such as video games, here the game’s avatars use real player names, stats, hometowns, jersey numbers, height, weight, and even facial features.).

¹⁸¹ *O'Bannon v. Nat'l Collegiate Athletic Ass'n*, Nos. C09–1967 CW, C09–3329 CW, C 9–4882 CW, 2010 WL 445190 (N.D. Cal. Feb. 8, 2010), *aff'd sub. nom. In re NCAA Student-Athlete Name & Likeness Licensing Litig.*, 724 F.3d 1268 (9th Cir. 2013).

¹⁸² *See Comedy III Prods., Inc. v. Gary Saderup, Inc.*, 21 P.3d 797, 808 (Cal. 2001).

¹⁸³ *Hart*, 717 F.3d at 165; *In re NCAA Student-Athlete Name & Likeness Licensing Litig.*, 724 F.3d at 1271 (“In *NCAA Football*, EA seeks to replicate each school’s entire team as accurately as possible. Every real football player on each team included in the game has a corresponding avatar in the game with the player’s actual jersey number and virtually identical height, weight, build, skin tone, hair color, and home state.”)

¹⁸⁴ Will Fulton, *Judge approves \$60 million settlement for NCAA athletes in EA video games*, DIGITAL TRENDS (July 17, 2015, 1:59 PM), <https://www.digitaltrends.com/gaming/ncaa-ea-settlement>.

Players who appeared in EA Sports NCAA games between 2003 and 2014 are potentially eligible for up to \$7,200. The precise payout for each player depends on a number of factors, including the year and whether their name, photograph, or jersey appeared in the game. The potential pool of claimants consists of 111,174 real roster football players and 21,309 real roster basketball players who appeared in EA Sports games during the relevant time period. Current football and men’s basketball players who were active during that window are also able to file a claim without losing their NCAA eligibility. As of last week over 400 current athletes have joined the lawsuit.

See id.

exploitation of one's identity by students will continue to be protected at the same level as for other members of society.

IV. TRADEMARKS & DOMAIN NAMES

Although much less contentious, trademarks also provide an important economic tool for companies and could be swept into university policies which fail to differentiate among types of intellectual property. "A trademark is generally a word, phrase, symbol, or design, or a combination thereof, that identifies and distinguishes the source of the goods of one party from those of others."¹⁸⁵ A service mark affords the same function for "the source of a service rather than goods."¹⁸⁶ Although the public does not need to know the identity of a particular source, the mark must allow the consumer to know that there is a single source for the goods or services.¹⁸⁷

The names, nicknames, initials, colors, mascots, marching songs, seals, and other marks used by universities are among the most valuable intellectual property owned by the institutions. The marks embody the value of the value of the brand, reputation, and image of the university. As a result, at most institutions, they are zealously guarded. For example, Boise State has successfully expanded its trademark rights in its signature blue football field, excluding other colleges from using the iconic blue field and requiring licenses from high schools and other organizations.¹⁸⁸ Boise State also illustrates another common practice in university licensing, a zeal that exceeds legal protection. According to the *N.Y. Times*, Boise State claims ownership of "non-green" football stadiums, which is a vastly larger claim than its claim to the use of its particular blue color for football.¹⁸⁹ The same article notes that

¹⁸⁵ U.S. PATENT & TRADEMARK OFFICE, PROTECTING YOUR TRADEMARK: ENHANCING YOUR RIGHTS THROUGH FEDERAL REGISTRATION 2 (2016), found at <https://www.uspto.gov/sites/default/files/documents/BasicFacts.pdf>.

¹⁸⁶ *Id.*; see also *Bd. of Supervisors for La. State Univ. Agric. & Mech. Coll. v. Smack Apparel Co.*, 550 F.3d 465, 475 (5th Cir. 2008).

The Lanham Act provides that a trademark may be "any word, name, symbol, or device, or any combination thereof" that is used or intended to be used "to identify and distinguish" a person's goods "from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.

Id. (citing 15 U.S.C. § 1127 (2012)).

¹⁸⁷ See WORLD INTELLECTUAL PROPERTY ORGANIZATION, INTRODUCTION TO TRADEMARK LAW AND PRACTICE: THE BASIC CONCEPTS: A WIPO TRAINING MANUAL 10 (1993), found at http://www.wipo.int/edocs/pubdocs/en/wipo_pub_653.pdf.

¹⁸⁸ See Sam Fortier, *Boise State Mounts a Paper Defense of Its Home Turf*, N.Y. TIMES (Sept. 10, 2016), <https://www.nytimes.com/2016/09/11/sports/ncaaf-football/boise-state-mounts-a-paper-defense-of-its-home-turf.html> ("There are about 30 blue fields now across all levels, [Boise attorney Rachael] Bickerton said, including six at other United States colleges, and a variety of colors elsewhere. But Boise State zealously defends the status of its home field, Albertsons Stadium, as the only blue one in college football's highest division.").

¹⁸⁹ *Id.*

trademarks experts are skeptical of such a claim.¹⁹⁰ Among the many flaws with the broader claim is the failure of Boise State to use more than the single color blue. Since it does not use other colors in commerce, it cannot demonstrate the usage needed to uphold the claim.

The success—and overreach—by Boise State highlights the balance universities face when managing their trademarks and working with the faculty, staff, students, alumni, and competitors who wish to use those marks as well.

At the outset, trademark holders are required to “police” their trademarks to assure that the marks continue to be the sole source identifier for the goods or services. “This duty includes policing (1) for unauthorized uses of a mark, (2) for uses of confusingly similar marks, and (3) uses by approved trademark licensees.”¹⁹¹ The policing will necessarily include an ongoing duty to assure that goods and services using the university marks are not being sold at stores, flea markets, and other venues. These bootleg products can result in millions of dollars in losses for some trademark holders.¹⁹²

Academic institutions should also be careful to protect both the trademark of the organization and the domain name of its website.¹⁹³ Companies must regularly audit their trademarked names, mascots, and logos to ensure that others are not using it or a close facsimile.¹⁹⁴ Equally important, however, is to assure that the marks used by the university remain unchanged from those registered with the Patent and Trademark Office. Even minor changes to the mark can result in the original mark being abandoned and a new mark being created. As a result, the many variations of the trademark that are often created by student groups, alumni associations, and various departments may unintentionally undermine the federal registration and unique identity of

¹⁹⁰ *Id.* (“Several trademark experts called that a stretch. No institution has challenged Boise State’s trademark interpretation, but several experts said they believed that a school wanting a non-blue, non-green field would most likely succeed if it did.”)

¹⁹¹ Susan Neuberger Weller, *A Primer on Policing Your Trademark*, MINTZLEVIN: COPYRIGHT & TRADEMARK MATTERS (Apr. 10, 2013), <https://www.copyrighttrademarkmatters.com/2013/04/10/a-primer-on-policing-your-trademark> (“Policing your trademark is not an option nor is it a luxury. It is an affirmative, legal duty. Such efforts will help to build a stronger, reputable brand, will avoid loss of trademark rights, and will minimize the risk of an infringer operating with impunity based on delayed enforcement efforts.”).

¹⁹² *See, e.g.*, *Bd. of Supervisors for La. State Univ. Agric. & Mech. Coll. v. Smack Apparel Co.*, 550 F.3d 465, 477 (5th Cir. 2008) (unauthorized good sold by defendant valued at twenty million dollars).

¹⁹³ “A domain name is part of a Uniform Resource Locator (‘URL’), which is the address of a site or document on the Internet.” U.S. PATENT & TRADEMARK OFFICE, TRADEMARK MANUAL OF EXAMINING PROCEDURE § 1215.01 (2017).

¹⁹⁴ *E.g.*, *Brookfield Commc’ns, Inc., v. W. Coast Entm’t Corp.*, 174 F.3d 1036 (9th Cir. 1999) (Moviebuff.com infringed on Moviebuff’s trademark rights.); *Mattel, Inc. v. Internet Dimensions, Inc.*, No. 99 Civ. 10066, 2000 U.S. Dist. LEXIS 9747 (S.D.N.Y. July 13, 2000) (Pornographic website Barbiesplaypen.com infringed on Mattel’s trademark, Barbie.).

the university's trademarks.

This is not to say that no variations should ever be allowed. First, the university can choose to register and develop a suite of marks. For example, universities often have their mascot incorporated into registered marks showing various sporting events. At one time, for example, the University of Minnesota's Golden Gopher was depicted playing hockey, basketball, and football.¹⁹⁵ Each of these is a separate mark.

In addition to variations by the institution, there are both legal and practical limits to the enforcement of the trademark rights of the university. As with the other rights previously described, trademark law has built-in limits to the exclusivity afforded to the mark.¹⁹⁶

Since trademark law generally protects from consumer confusion, any party who wishes to use marks can do so if such use does not create a likelihood of confusion.¹⁹⁷ For famous marks, however, the law also protects from dilution¹⁹⁸ through blurring¹⁹⁹ or tarnishment.²⁰⁰ As such, there is no need to show consumer confusion, but rather the standard is to show the degree of similarity of the unauthorized mark with the famous mark. This helps eliminate counterfeiting or "bootlegging."²⁰¹

Despite these expansive rights for the trademark holder, there are defenses to trademark infringement. First, trademark law generally recognizes two fair use exceptions. In addition, First Amendment considerations are incorporated into concepts of parody to allow third parties to exploit trademarks and trade dress without express permission.²⁰²

¹⁹⁵ See, e.g., Benny Friedman, *Know Your Foe – Minnesota*, MICH. ZONE: COLLEGE FOOTBALL BLOG (Sept. 29, 2006), <http://michiganzone.blogspot.com/2006/09/>; see generally *Brand Policy: Trademarks, Logos, Colors, and Seal*, U. MINN.: U. POL'Y LIBR., <http://policy.umn.edu/operations/branding> (last visited Apr. 20, 2018).

¹⁹⁶ E.g., *ETW Corp. v. Jireh Publ'g., Inc.*, 332 F.3d 915, 920 (6th Cir. 2003). ("The Lanham Act provides a defense to an infringement claim where the use of the mark 'is a use, otherwise than as a mark, . . . which is descriptive of and used fairly and in good faith only to describe the goods . . . of such party . . .'" (quoting 15 U.S.C. § 1115(b)(4) (2012))).

¹⁹⁷ *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 117 (2004). Additional protections are available for "famous marks," but such protection is beyond the scope of this article. See 15 U.S.C. § 1125(c) (2012).

¹⁹⁸ *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 105 (2d Cir. 2009), aff'd 736 F.3d 198 (2d Cir. 2013) ("Under federal law, an owner of a 'famous, distinctive mark' is entitled to an 'injunction against the user of a mark that is likely to cause dilution' of the famous mark." (citing *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 477 F.3d 765, 766 (2d Cir. 2007) (per curiam))) (quoting 15 U.S.C. § 1125(c)(1) (2012)).

¹⁹⁹ 15 U.S.C. § 1125(c)(2)(B) (2012) (Blurring is an "association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.").

²⁰⁰ 15 U.S.C. § 1125(c)(2)(C) (Dilution by tarnishment is an "association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.").

²⁰¹ See Anti-Counterfeiting Amendments Act of 2004, 18 U.S.C. § 2318 (2012).

²⁰² *Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1150 (9th Cir. 2002) (Trademark law recognized

The first fair use exception, words which are owned as a trademark, can be used as fair use when accurately describing a company's own good or service. Trademark law was not "meant to deprive commercial speakers of the ordinary utility of descriptive words."²⁰³ This first form of fair use essentially recognizes that there is no likelihood of confusion.²⁰⁴

The second form of trademark fair use is nominative fair use. A party may properly use the trademark of another to accurately describe the trademark owner's product. For example, an automobile repair shop can use trademarked names like Mercedes or Volkswagen even though it does not have any trademark rights to those company names.²⁰⁵ In a trademark dispute involving the use of Tiger Wood's name, the court noted that the actual name was used in a "purely descriptive" manner to describe the artwork rather than as the name of the artwork.²⁰⁶ The court in this case also found the right to include Wood's image in the artwork to be protected from Wood's rights of publicity.²⁰⁷

In the university setting, however, the more likely tension will come in the area of parody uses of the university's marks. In a parody situation, the mark is used, but generally not as a source identifier or identifier of an endorsement.²⁰⁸ Instead, the mark is used to further the

two types of fair use: "'Classic fair use,' in which 'the defendant has used the plaintiff's mark to describe the defendant's own product,' and 'nominative fair use,' in which the defendant has used the plaintiff's mark 'to describe the plaintiff's product' for the purpose of, comparison to the defendant's product." (citation omitted); *see also* CORPORATE COUNSEL'S GUIDE TO INTELLECTUAL PROPERTY: PATENTS, COPYRIGHTS, TRADEMARKS & TRADE SECRETS § 3.49 (2017) (fair use defenses).

²⁰³ *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 122 (2004). On remand, the Ninth Circuit adopted the following set of factors for determining fair use:

Among the relevant factors for consideration by the jury in determining the fairness of the use are the degree of likely confusion, the strength of the trademark, the descriptive nature of the term for the product or service being offered by [the defendant] . . . and the availability of alternate descriptive terms, the extent of the use of the term prior to the registration of the trademark, and any differences among the times and contexts in which [the defendant] . . . has used the term.

See KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 408 F.3d 596, 609 (9th Cir. 2005).

²⁰⁴ CORPORATE COUNSEL'S GUIDE TO INTELLECTUAL PROPERTY, *supra* note 202. ("Under the classic fair use defense, as codified at 15 U.S.C.A. § 1115(b), a defendant must prove the following:

- its use of the term is not as a trademark or service mark;
- it uses the term 'fairly and in good faith'; and
- it uses the term only to describe its goods and services.

The classic fair use defense can only be used if there is no likelihood of confusion. In contrast, the nominative fair use test replaces the likelihood of confusion analysis. *Id.*

²⁰⁵ *See Volkswagenwerk Aktiengesellschaft v. Church*, 411 F.2d 350 (9th Cir. 1969).

²⁰⁶ *See ETW Corp. v. Jireh Publ'g, Inc.*, 332 F.3d 915, 920–21 (6th Cir. 2003); *see also* *Ohio State Univ. v. Thomas*, 738 F. Supp. 2d 743, 747 (S.D. Ohio 2010) (discussing the nominative fair use defense).

²⁰⁷ *See ETW Corp.*, 332 F.3d at 920–21.

²⁰⁸ *See Mattel Inc. v. Walking Mountain Prods.*, 353 F.3d 792, 812 (9th Cir. 2003); Rochelle Cooper Dreyfuss, *Reconciling trademark rights and expressive values: how to stop worrying and*

expression of the user, often to comment or criticize on the trademark owner, but also to comment or satirize broader social issues through the juxtaposition of the trademark.²⁰⁹

In addition, the university should be mindful that, to be a trademark, the mark must be used “in commerce,” suggesting that many of the uses for marks are simply outside the commercial context and unrelated to any trademark analysis.²¹⁰ In the same way a photographer is not required to obtain permission of every trademark depicted in a photograph of a cityscape or boulevard, the mere existence of a trademark does not constitute a trademark use.

In the context of students’ own trademark developments, the university should develop policies that clarify and limit the use of university trademarks in student-inspired and commercially viable projects while promoting the students’ development of their own marks. One famous example was the development by University of Florida researchers of the carbohydrate-electrolyte beverage now known as Gatorade that helped its football players remain hydrated and energized as games continued in the sweltering Florida heat.²¹¹ The name is a nod to the university’s alligator mascot without using any specific registered trademarks. Because none of the stylized university artwork was used, the “gator” reference would likely steer clear of trademark infringement claims while still providing a positive nod to its origins and university support.²¹²

In contrast, in *Baylor Univ. v. Int’l Star, Inc.*, an unauthorized alumnus decided to register the URL “http://www.baylorbears.com” as “An Alumni Sponsored Site.”²¹³ The use of the university name and mascot in the URL constituted a violation of those trademarks under both the traditional likelihood of confusion test and under the dilution test.²¹⁴

learn to love ambiguity, in TRADEMARK LAW AND THEORY: A HANDBOOK OF CONTEMPORARY RESEARCH 262 (Graeme B. Dinwoodie & Mark D. Janis eds., 2008).

²⁰⁹ See *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 577–78 (1994) (discussing the distinctions between parody and satire, a literary distinction that has caused more than a little mischief where it does not belong—in appellate decision-making); see, e.g., *Cardtoons, L.C. v. Major League Baseball Players’ Ass’n*, 95 F.3d 959, 967 (10th Cir. 1996).

²¹⁰ See, e.g., *Kassa v. Detroit Metro Convention & Visitors Bureau*, 150 F. Supp. 3d 831, 838 (E.D. Mich. 2015), *aff’d*, 672 F. App’x 575 (6th Cir. 2017) (“Simply put, if a defendant does not use a mark to ‘identif[y] the source’ of its goods or services, then as a matter of law a plaintiff cannot establish a likelihood of confusion—and cannot prevail on a federal trademark infringement claim.” (citation omitted)).

²¹¹ See *History*, Gatorade, <https://www.gatorade.co.nz/history> (last visited Feb. 1, 2018).

²¹² Cf. *Baylor Univ. v. Int’l Star, Inc.*, No. W-00-CA-231, 2001 WL 1796464 (W.D. Tex. Nov. 7, 2001) (holding *Baylorbears.com* infringes on Baylor University’s Baylor Bears mascot); *Ohio State Univ. v. Thomas*, 738 F. Supp. 2d 743, 747 (S.D. Ohio 2010) (holding *Buckeyeillustrated.com* infringes on Ohio State University’s Buckeye mascot).

²¹³ *Baylor Univ.*, 2001 WL 1796464 at *1.

²¹⁴ *Id.* at *2–*3.

In addition, the attempt to capture an unauthorized URL violated the Anticybersquatting Consumer Protection Act (“ACPA”).²¹⁵ The ACPA protects a mark owner from an unauthorized trademark use who “registers, traffics in, or uses a domain name”²¹⁶ that is identical or confusingly similar to the mark owner’s “distinctive”²¹⁷ mark or is identical, confusingly similar, or dilutive of a “famous mark,”²¹⁸ when such registration is done with a bad faith intent to profit from the registration of the domain name. The rule is best understood as having two parts:

- (1) [the defendant] . . . registered or used a domain name that is identical or confusingly similar to a distinctive mark owned by . . . [the plaintiff], or is identical or confusingly similar to or dilutive of a famous mark owned by . . . [the plaintiff]; and (2) [the defendant] has a bad faith intent to profit from . . . [the plaintiff’s] mark(s).²¹⁹

Students and alumni who create such websites may be profit-seekers, or they may be warm-hearted fans wishing to express their enthusiasm for all things associated with their alma mater. Clear university policies will help eliminate any confusion.

This distinction must be made early and explicitly, particularly for current students developing projects in association with their universities. An established url can become very important to the search engine optimization necessary to promote business marketing and to retain return business from happy customers. If the university provides its student businesses a url which utilizes the marks of the university, it could do substantial harm to those students if it later bans them from continuing with the url after graduation. Instead, the university should establish a url policy that provides its student entrepreneurs with a url (and associated email addresses and other tools) that can be sustained following graduation or the commercial launch of the business.

Internet addresses are not typically considered intellectual property, so the mere url would not be covered by broad intellectual property assignment provisions. Nonetheless, they may be impacted if the url incorporates the marks of the university. In contrast, the broad intellectual assignment provisions could extend to marks used exclusively by the student entrepreneurs and never used by the university itself. While it is highly unlikely the university intends this result in most instances, it further highlights the implications of broad policies intended for patent assignments that are not sufficiently detailed

²¹⁵ Anticybersquatting Consumer Protection Act, 15 U.S.C. § 1125(d) (2012).

²¹⁶ *Id.* at §1125(d)(1)(A)(ii).

²¹⁷ *Id.* at §1125(d)(1)(A)(ii)(I).

²¹⁸ *Id.* at §1125(d)(1)(A)(ii)(II).

²¹⁹ *Baylor Univ. v. Int’l Star, Inc.*, No. W-00-CA-231, 2001 WL 1796464, *3 (W.D. Tex. Nov. 7, 2001).

to cover the appropriate scope of their assignments.

With a little advance planning, however, the university can foster the growth it seeks for its entrepreneurially-engaged students without undermining their success. By specifying trademarks as a separate policy that explains the guidelines for use of university marks and further explains how students who create intellectual property should protect and manage their own marks, the universities can foster best practices and assist their students to a much greater effect.

CONCLUSION

By embracing the variety of individuals studying, working, researching, and inventing in the university setting, the institutions can maximize the opportunities for both individual and commercial success, while promoting the creation and dissemination of new knowledge. In this way, the intellectual property licensing system mirrors the very the heart of the university's purpose and more effectively aligns with university students and faculty.

The roles, rights, and responsibilities differ depending on where one sits within the university. Teachers, researchers, student employees, student entrepreneurs, and student athletes all seek different rights from the universities and are prepared to give back different benefits. By distinguishing the student worker from a student researcher in a seminar or lab, this Article highlights the different legal consequences of the nature of the students' intellectual production and the policies needed to capture the understanding among the parties in each such situation.

As advocated throughout, each institution needs a comprehensive set of written policies that are enacted in a manner legally binding on all parties, consistent in their treatment of student workers, transparent in their purpose, and understood in operation. By taking these steps for patent policies, copyright and trademark management, ownership guidelines, usage policies, and even URL publication, the university will enable its business and community to flourish. This is a duty the university owes to its students and employees, but more importantly, it is a process the university owes to itself.