

I. PURPOSE & SCOPE

The purpose of this Guidance is to complement the University of California (“University”) Policy on Inventions, Patents, and Innovation Transfer (the “IP Policy”) and the University of California Copyright Ownership Policy (the “Copyright Policy”) by articulating guiding practices for agreements that grant rights to UC Davis’ Research Outcomes that are not patent or plant variety protection rights. This Guidance applies to all persons creating Research Outcomes as a result of their affiliation with UC Davis.

II. DEFINITIONS

For the purposes of this Policy:

“Agreement” refers to a license, sale, or bailment agreement that grants rights in an RO or an option agreement that grants a right to negotiate for one or more of the above.

“Research Outcome” (or “RO”) refers to, without limitation, tangible research material (e.g., cell lines, mouse models and other reagents), copyrighted works, and other types of proprietary UC Davis information such as research data and protocols, but excluding Inventions, to the extent such rights are owned by University (collectively, “RO”).

“Invention(s)” refers to patent, plant variety, and plant breeder’s rights.

“Net Royalties” are gross royalties and fees received by the Regents, after deduction of unreimbursed costs related to protecting, preserving, and licensing the RO, payments to third parties and such other costs, taxes, disbursements or reimbursements as may be necessary or required by policy, contract, or law. Net Royalties may also include cash realized from the sale of stocks or shares received as equity as partial consideration for a grant of rights to RO. Net Royalties does not include research funds, expenses reimbursement, or consideration of any other kind. Net Royalties may include cash consideration paid under an Agreement or cash received for the sale by University of equity received under an Agreement.

“Originator(s)” refers to individuals who authored, contributed to, or created the RO and assigned their rights to the Regents, or individuals who created the RO that is owned by University as a matter of policy, law, or contract.

“Recipient” refers to companies or individuals receiving rights to RO under a contract.

III. GUIDANCE STATEMENT

1. Gross royalties will be collected in the same manner as royalties for patent licenses under the IP Policy, and Net Royalties will be distributed under the IP Policy and the UC Davis Patent Revenue Budget Model.
2. Prior to the first Agreement for a given RO, the Originators will have the option to elect to forego their individual income share. Such election is irreversible for the life of the given RO. If an Originator foregoes their individual income share, the share will be payable to the laboratory/s where the RO was created.
3. On a case-by-case basis the Vice Chancellor for Research or their delegate, after soliciting recommendations from the appropriate Dean, has the authority to approve exceptions to this Policy and the distribution of Net Royalties.
4. Authority and Determination of Consideration:
 - a. The Vice Chancellor of Research, or a delegate thereof, will have the final authority to negotiate and execute Agreements, subject to the below provision III.4.b.
 - b. Relevant terms for any such Agreements may be subject to the approval of the Dean, or a delegate thereof, of the school/college corresponding to the laboratory/s where the RO was made if any of the following are true:
 - i. there is a known conflict of interest where the Originator may personally benefit from the Agreement (e.g. where the Originator is a consultant, shareholder, employee, or founder of the entity that will receive rights to the RO);

Effective October 1, 2025

- ii. the Agreement may contractually limit the ability of UC Davis to conduct research using the RO; or
- iii. where, in the view of the Vice Chancellor of Research or their delegate, the Agreement creates unusual financial risks for the school/college, e.g. accepting jurisdiction in a foreign country, accepts mandatory binding arbitration.

IV. REFERENCES 1. University of California IP Policy; 2. University of California Copyright Ownership Policy; 3. University of California Policy on Accepting Equity When Licensing University Technology; 4. UC Davis Patent Revenue Budget Model.