



Industry-Sponsored Student Class Projects

For Instructors

**Guidance and
Process**

SPONSORED STUDENT CLASS PROJECTS

- Provide a real-life opportunity for a student to work on research
- Allow a student to be exposed to industry's needs and learn to develop practical solutions for industry
- Allow a student to develop a relationship with an industry partner and learn business skills
- Serve as another way for the University to connect with industry

BACKGROUND

Periodically, faculty seek sponsorship from Industry to support class projects.

These types of contributions have generally consisted of between \$5,000-\$20,000 donated to and handled directly by the department as a monetary charitable contribution, or have consisted of donation of equipment or other resources to enable or enhance a specific class project.

The University prefers to treat these solely as donations, but recently there have been a number of requests by sponsors to obtain ownership of all intellectual property developed by students during the course of a sponsored project or course.

ISSUE

Since the University permits a student to retain title to Intellectual Property in certain cases requests by sponsors to obtain ownership have become quite problematic.

Applicable Policy

Intellectual Property I.A.1 - The University permits a student to retain title to Intellectual Property that the student creates for credit and without compensation in a University course through the use of course-wide resources, provided that the Intellectual Property is not burdened by any pre-existing contractual obligation of the University.

PREFERRED APPROACH - DONATION

Assuming the student class project qualifies as voluntary support under the University's Nongovernmental Support Policy II.B.6, treat the sponsor's funding as a donation.

Explain that the University typically treats these types of sponsorships as donations only and intellectual property is owned by the students under the University's Intellectual Property Policy I.A.1.

ALTERNATIVE APPROACH

When the sponsor desires deliverables from the student class project, and the Intellectual Property is burdened by a pre-existing obligation, we use Model 5. Other qualifying factors:

- ✓ Sponsored with funding amount from zero up to \$20,000
- ✓ Funded privately (for-profit or non-profit) and not by government sources
- ✓ Restricted and not a donation, i.e., sponsor expects a deliverable such as Project IP
- ✓ A for-credit class using course-wide resources for the sponsored student class project

4 STEPS PRIOR TO COMMENCING A SPONSORED STUDENT CLASS PROJECT

Step 1 - Contact SPS Contracting

- Goal: Signed Model 5 agreement with Sponsor

Step 3 - Course Syllabus

- Goal: Advance Notice of class restrictions

Step 2 - Course Registration

- Goal: Advance notice of class restrictions

Step 4 - First Day of Class

- Goal: Announce class restrictions

STEP 1: MODEL 5 AGREEMENT

- Under the IP policy, the existence of a contract with the sponsor means that the student will not retain rights to Project IP.
- For extra reassurance to the sponsor, Students will be notified that Project IP rights they may have, if any, will be assigned to Purdue.
- Purdue will agree to assign all the Project IP to the sponsor
- Appendices to agreement will include a sample assignment form.
- Faculty should ensure that non-University personnel (e.g., company representatives or unpaid students not enrolled in the class) do not participate in a manner that would permit them to claim to be co-inventors.
- For no F&A charges to apply, funding amount must be less than \$20,000.
- Faculty supervisor must manage confidentiality issues involving students, if any. Faculty must encourage sponsors to clearly identify confidential information and limit its distribution to the classroom setting. No export controlled technology should be shared.

STEP 2: COURSE REGISTRATION

Faculty must notify students in the course registration materials:

- ✓ Will be required to assign any Project IP rights
- ✓ Will be subject to confidentiality, including personal liability for any breach
- ✓ Students may elect to participate in an alternative project if not interested in giving up rights to Project IP.

SPONSORED STUDENT CLASS PROJECT NOTICE

“SPONSORED STUDENT CLASS PROJECT NOTICE: This course permits you, the student, to participate in a class project that has been sponsored by a private entity. The University encourages and supports your participation in this practical learning experience, but your participation in the course does not require you to participate in a sponsored class project. Prior to your participation in a sponsored class project, we would like you to carefully consider that your participation requires you to meet these conditions: **First**, under Purdue University’s Intellectual Property policy, you will not retain any Project Intellectual Property rights because the University has already agreed to assign all Project Intellectual Property rights to the sponsor. **Second**, your intellectual property rights with respect to the project will be assigned to Purdue University. **Third**, you may be subject to confidentiality requirements accompanied by personal liability should you fail to comply. **Fourth**, If for any reason you are not willing to be subject to these conditions, you may opt out of the sponsored-class project before the project begins. The course instructor will provide an alternative project for you that does not require you to give up intellectual property rights.”

STEP 3: COURSE SYLLABUS

Put Step 2 into the course syllabus.

STEP 4: COURSE ANNOUNCEMENT

On the first day of class, faculty must inform students:

- ✓ Course registration and course syllabus Sponsored Student Class Project notice
- ✓ Describe that assignment of Project IP rights may be required
- ✓ Administer any confidentiality documentation, including student personal acknowledgment forms
- ✓ Offer alternative project for students who do not wish to participate

SPONSORED STUDENT CLASS PROJECTS

- A substitute for sponsored research
- A way for students to support research without compensation
- A way for sponsors to avoid F& A expenses
- A way to supplement discretionary funds
- A way to provide a company with a deliverable at a reduced cost

VOLUNTARY SUPPORT

Example A: Voluntary support

Sponsor automaker contributes \$10,000 for a senior capstone project, suggesting several different ideas for students to explore in the auto design world. Students make their choice. During the class project, Sponsor periodically checks in with the faculty member to see how the class is going and to offer additional information and guidance. At the end of the class project, the class presents to sponsor a report describing the work they did and the conclusions they reached. Sponsor gets a copy of the report and takes it back to management to explain how their sponsorship benefited students at Purdue. SPS does not administer this donation.

RESTRICTED DONATION

Example B: Restricted donation

Sponsor automaker contributes \$10,000 for a senior capstone project, and frames the class project, much like a statement of work. Sponsor comes to campus and collaborates with the faculty member and the students on a regular basis, often re-directing the work that the class is doing. At the end of the class project, the class presents to Sponsor a report describing the work they did and the conclusions they reached. Sponsor gets a copy of the report and takes it back to management to explain how the class improved upon the Sponsor's business model. SPS administers this as Voluntary Support.

CONTRACTED SUPPORT?

Example C: Contracted Support

Sponsor automaker contributes \$10,000 for a senior capstone project, suggesting several different ideas for students to explore in the auto design world and requests ownership of class-generated intellectual property. Before the class the students assign project IP rights to Sponsor. During the class project, Sponsor checks in with the faculty member to see how the class is going and to offer additional information and guidance. At the end of the class project, the class presents to sponsor a report describing the work they did and the conclusions they reached. Sponsor gets a copy of the report and takes the IP back to management to explain how their investment benefited their company. SPS administers this as contract support.