

Guide to the IP policy

In order to commercialize the most promising Inventions created by MedStar Health Associates and Affiliated Inventors, MedStar Health has put in place an infrastructure for the development and commercialization of MedStar Health Inventions with input from the Inventor. This infrastructure is called MedStar Inventor Services. MedStar Inventor Services has developed and implemented an Intellectual Property Policy to ensure that inventions created at MedStar are analyzed, developed and commercialized in an efficient and professional manner.

Corporate policies can be confusing and difficult to decipher. This guide has been prepared to aid in reviewing the policy and provide additional information not suited for a corporate policy as such. As always, please contact MedStar Inventor Services (invent@medstar.net) for questions or clarification regarding this policy.

1. Purpose

Innovative medical centers such as Cleveland Clinic, Mayo Clinic and Johns Hopkins are not the wave of the future, they are the present. You don't have to have an academic medical institution with millions of dollars of grant funding to be innovative. MedStar realizes that there is an extraordinary amount of intellectual capital within its walls. MedStar encourages and rewards creativity and innovation. This policy defines how MedStar will transform ideas and inventions into commercial products that benefit patients, and how the rewards will be shared with the inventors. Success at this venture will enhance the ability of MedStar to attract the best and brightest minds.

2. Policy Statement

This one's pretty self-explanatory.

3. Scope

This section generally explains who is subject to this policy and who can grant exceptions to this policy. This is explained in more detail in later sections.

4. Definitions

Please read this section closely and refer back to it often as you read the Policy. Capitalized words in legal documents have very specific definitions. Capitalized words in this guide will refer to the defined words in the Policy. These definitions are not definitions out of a dictionary but are crafted to have specific meanings. For example, "Invention" is not only defined as something that is patentable, but is also copyrights, trademarks, and even software. Lumping them together under one term allows MedStar to refer to "Inventions" instead of "patentable invention, software, algorithms, copyrights, trademarks..." every time an Invention is mentioned.

5. Responsibilities

The Responsibilities section outlines who is responsible for doing what. Basically, Inventors (capitalized means go check the definition!) need to sign a statement of compliance with the policy. This might be in your employment contract and may just say that you agree to comply with all MedStar policies. There is also a section in the Invention Disclosure Form where you sign and agree to comply with the policy. You also have to let MedStar Inventor Services know if your idea has or is going to be made public. This is very important for patenting. If you let the cat out of the bag too early, you may not be able to file for a patent for your idea.

Commercializing Inventions is not an easy or short process. MedStar has created MedStar Inventor Services to specifically take on this task. MedStar Inventor Services is going to take on the responsibility of assessing the feasibility of commercializing your Invention, taking the steps necessary to protect your idea (patenting, copyrighting, etc.) and will find commercial partners to make and sell your Invention. MedStar Inventor Services will take care of all the legal agreements (and there are *a lot*) that accompany commercializing an Invention.

Creating MedStar Inventor Services was innovative in and of itself. However, MedStar was smart enough to realize that it might not be the best strategy to organically create this group internally. So, MedStar can use Commercialization Agents to assist in commercializing Inventions. In fact, they already are. In March of 2011 MedStar Health and Cleveland Clinic Innovations signed an alliance where Cleveland Clinic Innovations would add their expertise and personnel to MedStar Inventor Services. There are currently three specialized Cleveland Clinic Innovations commercialization officers working in MedStar Inventor Services. This agreement states that any confidential information (i.e. your ideas or inventions) you tell these folks, stays confidential.

The rest of this section is self-explanatory.

6. Exemptions

Only the CEO/President of MedStar Health, Inc., or the General Counsel as his/her delegee, may grant exemptions to this Policy. Pretty simple.

7. Consequences of Non-Compliance

Non-compliance with this Policy could get MedStar and you in trouble. So please be good boys and girls.

8. Requirements and Guidelines for Implementing the Policy

8.1 Invention Ownership. MedStar does not want to own all inventions you ever create. But, if you create something that is directly related to your employment, you make it on MedStar time or use MedStar resources (even a computer to do a Google search), MedStar will own that invention. More in Section 8.3.

8.2 Disclosure. You've got to let MedStar Inventor Services know about your Invention so they can help you commercialize it. You also need to disclose inventions that you create on your own time so that MedStar Inventor Services can determine that MedStar does not own it. It's a pain to go back in time when MedStar Inventor Services finds out 5 years down the road that you invented something and didn't disclose it. Better to disclose now so that MedStar Inventor Services has a record that you made it in your garage, on your own time and with your own money. More on this in the next section.

8.3 Determination of Rights. Again, MedStar does not want to own all of your Inventions. If you are an ICU nurse at MedStar Union Memorial (that dabbles in quantum physics in your spare time) and you create a cold fusion reactor in your garage, on weekends and with your own money (come on, it could happen), MedStar is not going to claim ownership of that Invention. If you come up with an idea that directly relates to your job at MedStar or you use MedStar resources to help you develop your idea, MedStar will have ownership of that Invention. This is a common practice at just about any company, for and non-profit. [Some companies only give employees a dollar for your inventions!] However, if you work in the process improvement department and come up with a new app that helps patients navigate the confusing halls of the hospital (a true story), MedStar will own that invention.

So here's how it works. Disclose your Invention. If you invented it at MedStar, great MedStar will determine that MedStar owns it and will start the commercialization pathway. If you believe MedStar

should not own the invention because you did it in your garage...etc., go ahead and fill out the request for Determination of Rights form on our website (<https://www.medstarhealth.org/innovation-and-research/medstar-institute-for-innovation/inventor-services>). MedStar Inventor Services and the Oversight Committee will consider the circumstances of how the Invention was created and if it does not related to your employment or affiliation with MedStar, MedStar Inventor Services will not claim MedStar ownership. If you significantly develop new aspects of your invention or significant improvements, you must again disclose the Invention to MedStar Inventor Services for a Determination of Rights. This is simply to prevent an inventor from initially inventing an Invention at home and then using MedStar resources to refine and further develop it without MedStar ownership.

If MedStar determines that it does not own your invention, you may do whatever you like with it.

- 8.4 This section describes what MedStar is going to do with MedStar owned Inventions. If MedStar owns the Invention MedStar Inventor Services is going to put its experienced commercialization folks on the case and possibly spend tens of thousands of dollars on your invention.

So what is MedStar Inventor Services going to do with your Invention? MedStar Inventor Services will receive the Invention Disclosure Form and will do a quick review of products, patent applications and issued patents. Then someone will give you a call to set up an interview. This is a chance for the commercialization specialist to ask questions and learn more about your Invention. Then the commercialization specialist will do more in-depth research on your Invention. They may even order a prior art search and patentability opinion, or market research. All of this information is shared with you and goes into the decision to move forward (or not) with the Invention. If you have any contacts at companies who might be interested in your invention, let MedStar Inventor Services know. This will help the commercialization process immensely.

Sometimes an Invention needs a little more work and is not ready for patenting, copyrighting or commercialization. MedStar Inventor Services may ask you to go back to the drawing board to further refine your invention or answer specific questions.

If MedStar Inventor Services decides to move forward with commercializing your Invention, MedStar Inventor Services will invest serious resources in protecting (patenting, copyright, trademark, etc.), helping identify funding sources for additional development, marketing to potential licensees and negotiating the license agreement.

Unfortunately, sometimes great ideas and Inventions do not make great products for a variety of reasons. Occasionally MedStar Inventor Services will make attempts to commercialize your Invention but will determine at some point that further investment in money or time are not worth the potential reward. In these cases, MedStar Inventor Services will notify you of the decision and you may request that MedStar Inventor Services returns ownership to you.

A quick note on patenting. Patents are very expensive and MedStar Inventor Services will analyze your Invention and decide if the Invention is a patentable invention (i.e not a trademark, copyright, etc.) and whether filing a patent is worth the expense. MedStar Inventor Services will look at current products on the market and patents and patent applications that are currently filed. There are two ways you need to look at patents. First, can you get a patent on your invention that would be useful to a company? Many times the patent scope is so narrow that it is easy for competitors to create a similar product that does not infringe your patent. The other way is what other patents are out there that your invention might infringe? If you try to patent a technology related to touch screen smartphones, chances are good that Apple and Samsung have patents on all the technology inside the smartphone so that your Invention cannot be practiced without their patents. MedStar Inventor Services is going to do that upfront research to inform a decision to file a patent.