



NATIONAL SCIENCE FOUNDATION

Request for Comments on the National Science Foundation's Proposed Intellectual Property Options

AGENCY: National Science Foundation.

ACTION: Request for Comments. Extension of comment period.

SUMMARY: On December 12, 2024, the National Science Foundation (NSF) published in the Federal Register a document entitled "Request for Comments on NSF's Proposed Intellectual Property Options." In response to requests by prospective commenters that they would benefit from additional time to adequately consider and respond to the RFC, NSF has determined that an extension of the comment period until Friday, February 21, 2025, at 11:59 PM (eastern), is appropriate. NSF also is adding language to clarify the intent for intellectual property options.

DATES: The end of the comment period for the document entitled "Request for Comments on NSF's Proposed Intellectual Property Options" published on December 12, 2024 (89 FR 101641), is extended from January 24, 2025, until February 21, 2025.

ADDRESSES: To respond to this Request for Comments, please use the official submission form available at:

<https://airtable.com/app9KPUhqR2IAb4Zf/pag9d0QhLcOXkGlud/form>.

Respondents only need to provide feedback on one or more questions of interest or relevance to them. Each question is voluntary and optional. The response to each question has a 4,000-character limit including spaces.

FOR FURTHER INFORMATION CONTACT: For further information, please direct questions to Allen Walker through email at NSF-IPOptions-RFC@nsf.gov, phone at 703-292-2291, or mail at National Science Foundation, ATTN: Allen Walker, 2415 Eisenhower Avenue, Alexandria, VA 22314, USA.

SUPPLEMENTARY INFORMATION: The National Science Foundation (NSF) seeks public comments to inform the proposed implementation of new intellectual property (IP) provision options for use in NSF public-private partnerships, particularly those advancing research and development, that include co-funding of awards by private partners. NSF is committed to fostering innovation and promoting the translation of research into practical applications. To enhance the effectiveness of public-private partnerships, NSF seeks to implement a set of options for IP provisions that provide greater flexibility and balance the interests of both academia and industry.

Please note that the intellectual property options discussed herein apply only to NSF awards that stem from direct partnerships between NSF and industry partners prior to issuance of the grant. These types of awards currently represent a small percentage of NSF's overall funding portfolio. NSF defines a direct partnership as an explicit agreement between NSF and one or more other organizations to jointly resource (i.e., via dollars and/or in-kind offerings) a funding opportunity.

These IP options do not apply to the rest of the NSF award portfolio. NSF maintains a consistent policy of not claiming or retaining any intellectual property rights resulting from its awards, including those made through the Small Business Innovation Research (SBIR) / Small Business Technology Transfer (STTR) awards. NSF shall neither enforce nor participate in any such negotiations between awardees and industry partners. These IP options also do not apply to downstream partnerships, such as those developed by NSF awardees for additional non-NSF resources (financial and/or in-kind), thereby enhancing the activities of the original award.

Recent engagements, including the 2023 NSF-Industry Partnership Summit and subsequent listening sessions, have highlighted the need for optional IP strategies that can adapt to the unique requirements of various funded projects. NSF intends to incorporate these IP options into partnership agreements involving industry and/or non-profit organizations for funding opportunities whose funded awards may result in the generation of IP.

Through this Request for Comments (RFC), NSF invites input from a wide range of stakeholders, including industry, academia, non-profit organizations, other government agencies, and other interested parties.

The 2023 NSF-Industry Partnership Summit and subsequent engagements revealed differing viewpoints in stakeholders' perspectives regarding NSF's existing IP terms. In response, the Directorate for Technology, Innovation and Partnerships (TIP) has developed a series of IP grant-of-rights options to address these concerns. These options are informed by the Bayh-Dole Act and aim to promote the practical application and commercialization of

federally funded research while preserving potential access to the IP for the U.S. Government.

Below is the language for each of the three IP grant-of-rights options to be used in partnership agreements. These IP options can be tailored according to the particular research area and the specific terms and conditions agreed upon between NSF and the partner(s) in a particular public-private partnership.

A. Research License with Commercial Option

The disposition of rights to inventions or works of authorship made during NSF-funded research is governed by federal law, regulation, and policy, including but not limited to, 35 U.S.C. §§ 200-212 and 37 C.F.R. §401. Pursuant to applicable laws, regulations, and policies, the entire right, title, and interest of Intellectual Property (IP) that directly results from activities funded by NSF (“Project IP”) is retained by the entity that created it. While recipients are permitted to temporarily withhold the publication of data and software related to inventions to facilitate patent application filings, NSF terms and conditions require the subsequent prompt publication of all research outputs—including results, data, and software—generated in the performance of the research.

All partners are entitled to a non-exclusive, royalty-free license for use of Project IP for research purposes for a period of 18 months from the date of disclosure of the Project IP. This license shall not extend to any IP other than Project IP. This 18-month period is structured as follows:

- 1. Notice Period: For the first 12 months after disclosure of the Project IP, any partner shall have a right to indicate in writing that they are*

exercising their Right of First Negotiation ("ROFN") for an opportunity to secure an exclusive commercial license during the Negotiation/Option Period.

- 2. Negotiation/Option Period: Following the 12-month Notice Period, there shall be a 6-month period during which partners so exercising their ROFN may negotiate for an exclusive commercial license.*

If an exclusive commercial license is secured by one partner during the Negotiation/Option Period, all other partners' rights shall automatically become a perpetual, non-exclusive, royalty-free license for research purposes only.

If no exclusive commercial license is secured by the end of the Negotiation/Option Period, the non-exclusive license granted herein shall, for all partners, automatically convert into a perpetual non-exclusive, royalty-free license for research purposes only.

Pursuant to the Bayh-Dole Act, NSF is entitled to a non-exclusive, irrevocable, paid-up license throughout the world for use of Project IP that directly results from activities funded by NSF.

B. Convertible Commercial License

The disposition of rights to inventions or works of authorship made during NSF-funded research is governed by federal law, regulation, and policy, including but not limited to, 35 U.S.C. §§ 200-212 and 37 C.F.R. §401. Pursuant to applicable laws, regulations, and policies, the entire right, title, and interest of Intellectual Property (IP) that directly results from activities funded by NSF ("Project IP") is retained by the entity that created it. While

recipients are permitted to temporarily withhold the publication of data and software related to inventions to facilitate patent application filings, NSF terms and conditions require the subsequent prompt publication of all research outputs—including results, data, and software—generated in the performance of the research.

All partners are entitled to a non-exclusive, royalty-free license for use of Project IP for both research and commercial purposes for a period of 18 months from the date of disclosure of the Project IP. This license shall not extend to any IP other than Project IP. This 18-month period is structured as follows:

- 1. Notice Period: For the first 12 months after disclosure of the Project IP, any partner shall have the have a right to indicate in writing that they are exercising their Right of First Negotiation (“ROFN”) for an opportunity to secure an exclusive commercial license during the Negotiation/Option Period.*
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If no exclusive commercial license is secured by the end of the Negotiation/Option Period, the non-exclusive license granted herein shall, for

all partners, automatically convert into a perpetual non-exclusive, royalty-free license for research purposes only.

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C. Research-Only License

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Pursuant to applicable laws, regulations, and policies, the entire right, title, and interest of Intellectual Property (IP) that directly results from activities funded by NSF (“Project IP”) is retained by the entity that created it, following applicable federal law. While recipients are permitted to temporarily withhold the publication of data and software related to inventions to facilitate patent application filings, NSF terms and conditions require the subsequent prompt publication of all research outputs—including results, data, and software—generated in the performance of the research.

All partners are entitled to a non-exclusive, royalty-free license for use of Project IP for research purposes. This license shall not extend to any intellectual property other than Project IP.

Pursuant to the Bayh-Dole Act, NSF is entitled to a non-exclusive, irrevocable, paid-up license throughout the world for use of Project IP that directly results from activities funded by NSF.

Questions for Public Comment:

NSF welcomes comments from the public on any issues that are relevant to this topic, and is particularly interested in answers to the following questions:

Overall Impact: How do you believe these proposed IP options will impact innovation, technology transfer, and economic growth?

Balance: Do these options ensure a balanced distribution of IP rights between academia and industry partners? How can the proposed IP options be further refined to ensure maximum balance in IP arrangements?

Flexibility: What additional flexibility should be incorporated into the IP options to accommodate and incentivize a range of research initiatives?

Adoption: What strategies could NSF employ to encourage widespread adoption of these IP options among potential partners?

Barriers: What potential barriers exist to implementing these IP options, and how might they be overcome?

Translation and Incentives: Do the proposed IP options effectively promote the translation of research into practice while incentivizing industry participation and ensuring benefits for universities and researchers? What improvements could be made to enhance these aspects?

Additional Options: Are there other IP grant-of-rights options or frameworks that NSF should consider to better support collaborative research initiatives and facilitate research impact?

NSF, at its discretion, will use the information submitted in response to this RFC to help inform future program directions, new initiatives, and potential funding

opportunities. The information provided will be analyzed, may appear in reports, and may be shared publicly on agency websites. Respondents are advised that the government is under no obligation to acknowledge receipt of the information or provide feedback to respondents with respect to any information submitted. *No proprietary, classified, confidential, or sensitive information should be included in your response submission.* The government reserves the right to use any non-proprietary technical information in any resultant solicitations, policies, or procedures.

(Authority: Public Law 117-167.)

Dated: January 22, 2024.

Suzanne H. Plimpton,
Reports Clearance Officer,
National Science Foundation.

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