THE SALK INSTITUTE FOR BIOLOGICAL STUDIES

Tangible Materials Policy

Tangible materials are unpatented or non-patentable materials including chemical substances, organisms, cells lines, proteins, RNA/DNA, antibodies and other cellular components and their derivatives. Tangible materials may also be research results and documentation that may or may not be patentable or copyrightable and may include prototypes, engineering drawings, clinical data, databases and other property. Generally, these materials have been published or publically presented (i.e. at scientific meetings).

Developers of tangible materials are those individuals who conceived and developed the materials, or contributed substantially to the conception of the materials. Principal investigators whose laboratories at the Institute are utilized in the establishment of tangible materials are generally considered developers.

The Institute generates revenue from Tangible Materials through licensing the rights to sell the material to research tool companies and pharmaceutical corporations. To initiate the process, employees fill out a **Tangible Materials Disclosure Form (see below)** and submit it to the Office of Technology Development for evaluation. Once submitted, a member of OTD will contact the developer for further discussions.

The Institute will distribute to the developers and to the laboratory(ies) of the developers, a percentage of the net licensing income received from licensing tangible materials according to the following breakdown:

- 15.0% to Institute Administration Funds
- 42.5% to Institute's General Discretionary Funds
- 21.25% to an account of the laboratory of the developers ("Lab Share")
- 21.25% to the developers of the Tangible Material ("Developer Share")

"Net licensing income," as used herein, shall mean gross licensing income received from royalties and/or fees with respect to the tangible materials, minus the expenses of OTD.

Distribution of the "developer share" and the "lab share" of the net licensing income shall be made on a regular basis, at the discretion of the Institute. Such distribution shall generally be made on an annual basis, from the amount of net licensing income received during the fiscal year.

Where there are two or more co-developers of a material, with respect to which net licensing income is to be paid in accordance with this policy, each of the developers and their laboratories shall share equally such net licensing income, unless all of the co-developers have, prior to the first payment to them of net licensing income attributable to the Tangible Material, agreed, in writing presented to OTD, to a different distribution. Where such an agreement has been entered into by the co-developers, the agreement will govern the distribution of net licensing income among the co-developers and their laboratories.

Questions about tangible materials can be directed to OTD@salk.edu