January 30, 2017

MEMORANDUM

TO: Jo Anne Perry Maxwell
   Director, Governance and Legislative Affairs Division

Cathy McGhee, P.E.
Director, Virginia Transportation Research Council

FROM: Charles A. Kilpatrick, P.E.  
Commissioner of Highways

SUBJECT: Delegation of Authority – Requests to Use/License Certain Intellectual Property of the Virginia Department of Transportation

Pursuant to §§ 2.2-504 and 33.2-224 of the Code of Virginia, and pursuant to authority set forth in the Commonwealth of Virginia Intellectual Property Policy, issued by the Secretary of Administration September 29, 2016 (Virginia IP Policy), which is attached hereto as Exhibit A, I hereby delegate to the Director of the Governance and Legislative Affairs Division of the Virginia Department of Transportation (VDOT) and the Director of VDOT’s Transportation Research Council (VTRC) authority to perform the duties set forth herein.

To the Director of the Governance and Legislative Affairs Division, I delegate authority to approve and execute/grant licenses to governmental or nongovernmental licensees permitting publication or use of agency intellectual property on an exclusive or non-exclusive basis for fair value or to promote an agency objective, consistent with the Virginia IP Policy. The Director of Governance and Legislative Affairs is further authorized to determine the structure and terms of any these licenses in consultation with the Attorney General’s office and in compliance with the Virginia IP Policy and applicable law. Approval by the Office of the Attorney General of a template or form of agreement used to grant the license shall satisfy the requirement for
consultation.

To the Director of VTRC, I delegate authority to approve and execute licenses authorizing publication of agency intellectual property by state or federal governmental entities, peer reviewed journals, trade magazines, scholarly texts and organizers of meetings and conferences on a non-exclusive basis to promote an agency objective, consistent with the Virginia IP Policy. Publication licenses granted pursuant to this delegation shall be in the form determined by the Director of Governance and Legislative Affairs. Because a delegation relating to publication licenses is also encompassed by the delegation to the Director of Governance and Legislative Affairs, the delegation is concurrent and either the Director of Governance and Legislative Affairs or the Director of VTRC may exercise their authority relating to publication licenses independently.

If the Director of Governance and Legislative Affairs or the Director of VTRC is not available for a period of time to perform this delegation in a manner to meet statutory requirements, a representative to execute these duties in his or her absence may not be appointed without written concurrence of the Commissioner. If the Director of Governance and Legislative Affairs position is vacant, the person appointed "Acting Director of Governance and Legislative Affairs" shall have the same authority as that delegated herein to the Director of Governance and Legislative Affairs. If the Director of VTRC position is vacant, the person appointed "Acting Director, Virginia Transportation Research Council" shall have the same authority as that delegated herein to the Director of VTRC.

Authorizing the Director of Governance and Legislative Affairs and the Director of VTRC to perform these acts is in no way intended to abrogate my authority or ability to accomplish these acts myself, if I so desire. Consequently, in this sense, the duties and responsibilities are concurrent. Furthermore, this expressed delegation of responsibilities is not intended to negate my authority or ability to delegate further responsibilities in specific situations, as I may deem necessary.

Attachments
Commonwealth of Virginia
Intellectual Property Policy

In accordance with Section 2.2-2822 of the Code of Virginia, the Secretary of Administration ("Secretary") hereby adopts this Intellectual Property Policy regarding the protection and release of Commonwealth intellectual property created or developed by Commonwealth employees.

1. Employees Covered by this Policy.

This Policy applies to all employees of the Commonwealth other than employees of public institutions of higher education. This Policy and Section 2.2-2822 shall be deemed a part of the terms and conditions by which all such employees are hired; are offered advancement, transfer, or compensation enhancements; or continue to receive the benefits of the employment relationship. As used below, "employee" refers to employees covered by this Policy.

2. Intellectual Property Covered by this Policy.

This Policy applies to all copyrightable materials that have been created in whole or in part by Commonwealth employees during working hours, within the scope of employment, or when using state-owned or state-controlled facilities ("agency creations"). It also applies to all associated rights under copyright laws ("agency copyrights").

This Policy also applies to all potentially patentable materials that have been developed in whole or in part by Commonwealth employees during working hours, within the scope of employment, or when using state-owned or state-controlled facilities ("agency inventions"). It also applies to any associated rights under patent laws ("agency patents").

This policy uses the term "agency IP" to refer to all of the foregoing (agency creations, copyrights, inventions, and patents) collectively.

Agency heads are encouraged to use employee recognition programs and other existing Commonwealth compensation policies to reward and encourage creativity and innovation by Commonwealth employees who develop valuable agency IP or otherwise contribute to greater efficiency or effectiveness in accomplishment of agency goals.

3. Ownership of Intellectual Property Covered by this Policy.

Pursuant to Section 2.2-2822 of the Code of Virginia, all agency IP shall be the property of the Commonwealth. Each employee hereby assigns his or her entire interest in all agency IP to the Commonwealth. This includes his or her interest in any related copyright or patent application that may be filed in the future. Each employee shall promptly disclose to his or her supervisor any agency invention. Each employee shall cooperate in executing documentation requested by his or her agency head to acknowledge or effectuate the Commonwealth's ownership of the patent and copyright interests in agency IP, and to facilitate any application for patent protection or copyright registration.


Pursuant to Section 2.2-2822 of the Code of Virginia, this Policy defines the extent of authority granted to State agencies over the protection and release of patents and copyrights developed or created by
employees of the agency. Purported licenses or transfers of interests in agency IP that are not authorized in this Policy shall be void.

Except for ancillary consents given under Section 10, all licenses or transfers of agency IP under this Policy, and all commitments to do so, are authorized by this Policy only to the extent the license, transfer, or commitment is in writing and signed by the agency head.

Whenever this Policy requires action by the agency head, such action may be taken either by the agency head or by an agency employee who has a written delegation of authority from the agency head at the time of the action taken.

The head of each agency is responsible for exercising due care and loyalty to the best interests of the Commonwealth and its citizens in all actions taken by his or her agency under this Policy. Legal advice and appropriate legal forms should be sought as necessary from the Attorney General’s office.

5. Protection of Agency Creations.

Copyrightable materials automatically receive some protection under the Copyright Act and can be marked with a copyright notice. Legal rules govern the form and placement of such notices. Additional protection can be obtained by registering a copyright in such materials with the U.S. Copyright Office, particularly if this is done within three months after first publication of the work.

Agency heads are hereby authorized to decide whether to seek and maintain protection for agency creations. This includes the authority to decide whether to place a copyright notice on agency creations, whether to register a copyright with the U.S. Copyright Office, and whether to release potentially copyrightable material to the public domain. Copyright notices and registrations should be in the name of the agency.

Release of potentially copyrightable material through the Creative Commons or the Open Source Initiative licensing systems requires the agency head’s written determination, after consultation with the Attorney General’s Office, that the selected system is legally appropriate to the agency’s objectives and protects the interests of the Commonwealth.

6. Protection of Agency Inventions.

Patent law protects inventions only if an appropriate patent application is filed on a timely basis. Generally this must be done within one year after any publication describing the invention or any public use or offer to sell the invention, whichever is earlier. Typically, the cost of seeking patent protection is substantial.

Agency heads are hereby authorized to decide whether to seek and maintain protection for agency inventions. However, patent protection for agency inventions may be sought only if the agency head reasonably determines that the patent will have significant commercial value and files with the Secretary a summary of the expected commercial value of the patent and the basis of that value. Agency heads must make this determination promptly to meet the early deadlines for seeking patent protection.

If the agency head is not able to determine that a patent would have significant commercial value, or if the agency head believes that the agency’s pursuit of a patent would not be in the best interest of the Commonwealth and its citizens, the agency head may allow the time for seeking such protection to expire without action.

Instead of allowing the deadline for a patent application to pass, in the limited circumstances described in this Section, the agency head may transfer or license an interest in the potentially patentable material to the employee(s) who developed the material, or to a private entity, to allow a private attempt to patent the material at no risk or expense to the agency, and subject to a sufficient reservation of rights so that the Commonwealth’s use of the invention is not restricted.

The agency head is hereby authorized to take (or commit to take) the above action only after making a written determination that: (a) the commercial value of a potential patent appears insufficient to justify the costs that the agency would incur to pursue a patent; (b) the agreed reservation of rights protects the Commonwealth’s ability to use the invention; and (c) for reasons detailed in the determination, allowing the private attempt to patent the invention pursuant to the terms of such license or transfer is in the best interests of the Commonwealth and its citizens and is more advantageous than allowing the application deadline to pass with no action. The agency head shall determine the structure of the transaction and the terms of any such transfer or license and associated reservation of rights in consultation with the Attorney General’s office and in compliance with this Policy and applicable law.

8. Licenses for Fair Value or to Accomplish an Agency Purpose.

Agency heads are hereby authorized to license agency IP to governmental or nongovernmental licensees on an exclusive or non-exclusive basis for fair value or to promote an agency objective, consistent with this Policy. The agency head shall determine the structure and terms of any such written licenses in consultation with the Attorney General’s office and in compliance with this Policy and applicable law.


Agency heads are hereby authorized to grant non-exclusive accommodation licenses permitting uncompensated use of agency IP without warranty or other obligation by the agency, if the agency head determines in writing that the license is of de minimis value, or if the agency head determines that pursuit of a compensated licensing arrangement would require expenditures, warranties, or other undertakings by the agency that make such pursuit inadvisable, or if the licensee is another agency of State or local government in the Commonwealth. The agency head shall determine the structure and terms of any such written licenses in consultation with the Attorney General’s office and in compliance with this Policy and applicable law.

10. Consent to Ancillary Use.

Agency use of agency IP for the agency’s own operations sometimes invites citizens or other parties to interact with the agency IP in a way that, under applicable law, may require the agency’s consent. For example, this can occur when citizens visit an agency website and use website functionality to interact with the agency or reproduce agency documentation as part of a filing with the agency.

Although a consent has not been signed by the agency head, if it is clear from the agency’s written communications that the agency in fact does consent to an ancillary use, and if the agency’s action is deemed limited in accordance with this Section, then the agency is hereby authorized to give its consent to the citizen or other party by means of such communication. If any greater license, transfer, or commitment in regard to agency IP is needed or desired, it cannot be given under this Section, but rather, requires a signed authorization from the agency head in accordance with other Sections of this Policy.
Policy adopted as of September 29, 2016.

Nancy Rodrigues, Secretary of Administration