



## CENTER FOR GLOBAL SENSORY INTELLIGENCE

# Industry Participation Agreement

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
("Effective Date") by and between the **UNIVERSITY OF HAWAII** ("UH") and

\_\_\_\_\_  
("Industrial Sponsor").

**WHEREAS** UH HAS established a Center for Global Sensory Intelligence ("CGSI"), and

**WHEREAS** the CGSI desires to establish an effective partnership with industry and promote continual interaction between academic and industry researchers, and

**WHEREAS** the CGSI will require additional funding support to sustain its operations, and

**WHEREAS** it is expected that the CGSI Industrial Sponsors will receive certain benefits as described herein in consideration of the financial support they provide to the CGSI, and

**WHEREAS** Industrial Sponsor desires to become an Industrial Sponsor of the CGSI,

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein, UH and Industrial Sponsor hereto agree as follows:

**1. RESEARCH.** The CGSI shall conduct research projects in accordance with UH policies, procedures, and approvals on various topics such as:

- A. Near Sensor Pattern Recognition (image, sound, chemical, others);
- B. Remote Ecological Micro-Sensor Network
- C. 3-D Optical Sensor Motion Tracker
- D. Automated Monitoring of Human Made Systems (security, conservation, etc...)
- E. Planet Automated Monitoring from Ground or Space
- F. Smart Sensor Networks for Health Monitoring of Highway Bridges
- G. And others as agreed upon by CGSI researchers and its Industry Advisory Board

Research topics will vary as the field develops and the direction of the CGSI's strategic plan evolves through discussions within the CGSI and consultation with the Industrial Advisory Board (IAB), as defined herein.

**2. FUNDING SUPPORT.** Industrial Sponsor shall provide to the CGSI annual support in the amount of US\$\_\_\_\_\_. This support shall be provided annually unless and until UH and Industrial Sponsor agree to change the level of support. Any change will not be valid unless agreed to by the members of the IAB and incorporated in an amendment to this Agreement signed by UH and Industrial Sponsor. Payment is due within thirty (30) days after execution of this Agreement and subsequent annual payments are due on the anniversary of the Effective Date of this Agreement for each additional year of performance thereafter.

**3. AUTOMATIC RENEWAL.** This Agreement shall automatically be renewed each year from the Effective Date of this Agreement unless Industrial Sponsor notifies the CGSI in writing at least sixty (60)

days in advance of the annual renewal that it wishes to discontinue its support. Industrial Sponsor shall not be entitled to any refund of unexpended funds at the end of a year when it elects not to continue its sponsorship pursuant to this section.

**4. INDUSTRIAL SPONSOR BENEFITS.** Industrial Sponsor shall be granted the following benefits during the period of Industrial Sponsor's support:

- A. Opportunity to provide input and advice on the science and engineering direction of the CGSI through representation on the Industrial Advisory Board (IAB).
- B. A time-limited right to negotiate a non-exclusive or exclusive, royalty-bearing license, or option to such a license, on any the CGSI invention in accordance with Section 7.D that is conceived and reduced to practice during the period of Industrial Sponsor's support.
- C. Notification of all inventions conceived and reduced to practice by the CGSI.
- D. Subject to UH policies, procedures, and approvals, access to the CGSI's technologies, specialized facilities and state-of-the-art equipment through sponsored research agreements as well as the right to negotiate exclusive license to intellectual property developed under such agreements.
- E. Receipt of all reports containing new data and information produced for dissemination within the CGSI and the right to use all reports and the data and information contained therein for research and evaluation purposes, provided the confidentiality of such data and information is maintained until it is publicly disseminated or otherwise approved for public disclosure by the CGSI.
- F. Subject to UH policies, procedures, and approvals, CGSI students may be available for industrial internships at an Industrial Sponsor's facility.
- G. Invitations to special CGSI events, including an annual Global Sensing Symposium where new advances in the field will be explored, and at least one annual Industry Advisory Board Meeting, attended exclusively by Industrial Sponsors, where new results and information will be presented.
- H. Waiver of indirect costs (overhead) on industrial sponsorship monies provided by Industrial Sponsor to the CGSI under Section 2.

**5. INDUSTRIAL ADVISORY BOARD.** The CGSI's Director and Associate Director(s) shall be advised by members of an Industrial Advisory Board composed of representatives from each Industrial Sponsor. Each Industrial Sponsor shall have one vote on the Board.

**6. GOVERNMENT FUNDING.** It is understood and agreed that the CGSI may receive support from governmental sources such as the National Science Foundation or National Institutes of Health. Intellectual property conceived and first actually reduced to practice in the course of research performed under such funding will be subject to the conditions set forth in Section 7.F.

**7. INTELLECTUAL PROPERTY.**

- A. Ownership Rights. Inventions conceived and first actually reduced to practice in the course of the CGSI research performed at UH under the direction of a UH Principal Investigator will belong to UH.
- B. Invention Disclosure. UH will promptly make a confidential disclosure to Industrial Sponsor in writing, of any inventions or discoveries arising under this Agreement.
- C. Patent Applications. The determination to file patent applications will be within the sole discretion of UH.
- D. Industrial Sponsor's Rights to Inventions. Rights to such inventions will be made available to Industrial Sponsors, subject to the CGSI's legal right to do so, as follows:
  - i. Inventions Funded Solely by the CGSI Core Funds and Industrial Sponsor Monies  
When inventions are funded solely by the CGSI core funds and sponsorship monies then all Industrial Sponsors in good standing at the time of Invention Disclosure shall receive a time-limited, 90-day, right to negotiate a royalty bearing license or option to license any invention

conceived and reduced to practice with such funds. The 90-day negotiation period shall begin on the date the Invention Disclosure is received by the Industry Sponsor.

A license, or license derived from an option, negotiated with an Industrial Sponsor within the 90-day period will not include a license issue fee (LIF) and shall require no research cost reimbursement. Patent costs will be recovered from all licensees on a pro-rata basis (total cost of the patent/number of licenses). The term, territory and type (exclusive/non-exclusive) of license(s) issued will be determined by the number of Industry Sponsors electing to negotiate said license.

- a. If one or more Industrial Sponsors expresses a desire to license such inventions, UH will make its decision to whom and how to license based upon commercialization plans submitted by all interested parties. In making its decision, and at its own discretion, UH will consider: (a) exclusive licensing by field of use, (b) co-exclusive licensing limited to Industrial Sponsors, (c) exclusive licensing to the Industrial Sponsor determined best qualified to commercialize the invention, or (d) non-exclusive licensing.
  - b. If after 90 days no Industrial Sponsor has exercised its right to option or license, UH will be free to dispose of rights to such inventions in accordance with UH's internal policies, with no further obligation to Industrial Sponsors.
- ii. Joint Participation in U.S. Government Funded Research. When a the CGSI research project is funded solely by federal/state government sources on which the CGSI and the Industrial Sponsor(s) are listed as co-participants, the CGSI will notify Industrial Sponsor(s) that are sub-awardees on a grant when inventions are conceived and first reduced to practice using funds from the grant. Under the terms of this Agreement, the CGSI will offer to such co-participant Industrial Sponsor(s) a time-limited, 90-day first right to negotiate an exclusive or non-exclusive royalty bearing license to these inventions, if such grant of rights are consistent with the funding agency. If sub-awardee Industrial Sponsor(s) declines this right, then such rights to license will be disposed of in accordance with UH's policies with no further obligation to sub-awardee.
  - iii. CGSI-Associated Research Projects Funded by Federal/State Agencies with Additional Support from Sponsorship Monies and/or CGSI Core Funding. When an CGSI-associated research project is funded in its majority portion by a federal/state agency, and it is supplemented by sponsorship monies, Industrial Sponsors' rights to intellectual property developed under these projects will be governed by the UH or federal/state polices in effect at that time. Industrial Sponsors in good standing at the time of Invention Disclosure will be provided a time-limited, 90-day right to negotiate a royalty-bearing license.
  - iv. CGSI-Associated Research Projects Fully Funded by Federal/State Agencies. When the sole source of funds for an CGSI-associated research project comes from federal/state sources, Industrial Sponsors' rights to intellectual property developed under these projects will be governed by the UH or Federal/State policies in effect at that time. Industrial Sponsors in good standing at the time of invention Disclosure will be provided a time-limited, 90-day right to negotiate a royalty-bearing license.
  - v. Industrial Sponsor Solely Funded Research Project. If an Industrial Sponsor sponsors and solely funds a research project, the Industrial Sponsor will be granted a time-limited, 90-day, first right to negotiate a royalty-bearing exclusive license, or option to an exclusive license, to all inventions conceived and first reduced to practice in the course of the solely funded research project. If after 90 days the Industrial Sponsor does not reach an agreement to license, or elects not to option or license, UH will have no further obligation to the Industrial Sponsor and may dispose of such rights in accordance with UH's policies.
- E. Other Agreements. It is understood and agreed that the CGSI may enter into other agreements. Intellectual property conceived and first actually reduced to practice under these agreements will be negotiated between UH and the sponsoring entity.

- F. Government License. Pursuant to Public Law 96-517, by virtue of its support, any U.S. Government Agency sponsor will be granted a non-exclusive, royalty-free license to all patents and is entitled to file patents on any invention made with their support that UH elects not to patent.
- G. No Warranties. UH MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE RESULTS OF THE RESEARCH PROJECT OR ANY INVENTION, PROCESS OR PRODUCT, WHETHER TANGIBLE OR INTANGIBLE, CONCEIVED, DISCOVERED, OR DEVELOPED UNDER THIS AGREEMENT; OR THE OWNERSHIP, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE RESEARCH PROJECT OR ANY SUCH INVENTION OR PRODUCT. UH SHALL NOT BE LIABLE FOR ANY DIRECT, CONSEQUENTIAL, OR OTHER DAMAGES SUFFERED BY SPONSOR, ANY LICENSEE, OR ANY OTHERS INCLUDING, BUT NOT LIMITED TO, DAMAGES ARISING FROM LOSS OF DATA OR DELAY OR TERMINATION OF THE RESEARCH PROJECT, OR FROM THE USE OF THE RESULTS OF THE RESEARCH PROJECT, OR ANY SUCH INVENTION OR PRODUCT. THIS PROVISION SHALL SURVIVE THE EXPIRATION AND/OR TERMINATION OF THIS AGREEMENT.

**8. PUBLICATIONS.** UH reserves the right to publish, disseminate, and use, in whatever manner they see fit, all data and results of the research conducted by the CGSI or produced under this Agreement. Industrial Sponsors, however, shall have the opportunity to review any report or unpublished manuscript, including theses and dissertations, containing results of the research programs conducted by the CGSI at least thirty (30) days prior to submission for publication or other public disclosure in order to determine whether or not they wish to request UH to pursue a patent on any inventions that may be disclosed therein.

**9. CONFIDENTIAL INFORMATION.** Industrial Sponsor agrees to hold confidential and not disclose to any third party any knowledge, know-how, practices, processes, or other information, oral or written, disclosed by the CGSI, including but not limited to technical, marketing, business, operations, or cost information included in any CGSI research review meeting, manuscript, discovery or invention disclosure (herein known as "Confidential Information") without prior written approval from the CGSI. Industrial Sponsor agrees to protect Confidential Information with the same degree of care as it exercises with its own data of similar nature. If Confidential Information is presented orally, it shall be confirmed in writing and marked "Confidential" within thirty (30) days of such oral disclosure. Industrial Sponsor shall not use such Confidential Information for any purpose, whether for the benefit of itself or any third party, without prior written approval from the CGSI. This provision shall remain in full force and effect for a period of three (3) years from the date of disclosure notwithstanding the expiration or early termination of this Agreement.

Industrial Sponsor shall not be prevented from using or disclosing any of the Confidential Information which:

- A. Industrial Sponsor can demonstrate by written record was in its possession prior to receipt from the CGSI;
- B. Is now, or becomes in the future, public knowledge other than through acts or omissions of Industrial Sponsor;
- C. Is lawfully obtained by Industrial Sponsor from sources independent of the CGSI; or
- D. Is required to be disclosed by any rule, regulation, law, governmental or judicial order provided that the CGSI has received a fourteen (14) calendar day advance written notice of the proposed disclosure by the Industrial Sponsor unless a shorter time is otherwise required by law. The Industrial Sponsor shall not be liable for any disclosure of Confidential Information made pursuant to such rule, regulation, law, governmental or judicial order if it has complied with the provisions of this paragraph.

**10. RELATIONSHIP OF PARTIES.** UH and Industrial Sponsor shall perform their respective obligations under this Agreement as independent contractors, and shall not be deemed to have an employer-employee relationship, nor to be agents or joint venture partners.

**11. LIABILITY.** UH shall only be responsible for damages or injury caused by UH's officers, employees, or agents, in the course of their employment to the extent that UH's liability for such damage or injury has been determined by a court or otherwise agreed to by UH, and UH shall pay for such damages and injury to the extent permitted by law and approved by the UH Legislature.

Industrial Sponsor agrees to defend, indemnify, and hold harmless UH, its officers, employees, and agents and the State of Hawai'i, from and against any and all liabilities, claims, demands, damages, expenses and losses, of whatsoever kind or nature, including court costs and reasonable attorneys' fees arising out of the performance of this Agreement but only in proportion to and to the extent such liabilities, claims, demands, damages, expenses and losses are caused by or result from the negligent or intentional acts or omissions of Industrial Sponsor, its officers, employees, or agents. This provision shall survive the termination and/or early expiration of this Agreement

**12. GOVERNING LAW.** The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of the State of Hawai'i. Any action at law or in equity to enforce or interpret the provisions of this Agreement shall be brought in a state court of competent jurisdiction in Honolulu, Hawai'i. Industrial Sponsor, by execution of this Agreement, acknowledges the jurisdiction of the courts of the State of Hawai'i in this matter.

**13. GOVERNING LANGUAGE.** This Agreement has been executed in the English language and no translation into any other language shall be used in its interpretation.

**14. ASSIGNMENT.** Neither this Agreement nor any rights or obligations of either party shall be assigned or otherwise transferred by either party without the prior written consent of the other party.

**15. USE OF NAMES.** The names of the CGSI, UH and/or Industrial Sponsor or any abbreviation or derivative thereof shall not be used in any publicity, advertising, or other release without the prior written consent of the CGSI, UH or the Industrial Sponsor.

**16. NOTICE.** Official notices under this Agreement shall be rendered to:

For UH

Steven Chang  
Business Development  
c/o CGSI  
1680 East West Rd., POST 105  
Honolulu, HI 96822-2219

For (Industrial Sponsor)

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**17. TERMINATION.** UH may terminate this Agreement upon thirty (30) days' advance written notice to Industrial Sponsor. In the event of such termination prior to the end of the annual performance period the CGSI shall refund to Industrial Sponsor a pro-rated balance of their annual membership fee for each full month remaining at the time of termination (refund of 1/12 of the support provided under Section 2 per each remaining month). Refunds shall not be made for partial months. Industrial Sponsor shall not be entitled to any refund of unexpended funds at the end of a year when it elects not to continue its sponsorship pursuant to Section 3 herein.

**18. INTEGRATION.** This Agreement states the entire contract between the UH and Industrial Sponsor with respect to the participation of \_\_\_\_\_ (Industrial Sponsor) as an Industrial Sponsor of the CGSI pursuant to this Agreement. The subject matter of this Agreement supersedes any previous or contemporaneous written or oral representations, statements, negotiations or agreements. This Agreement may be modified only by written agreement executed by all parties.

**19. HEADINGS.** The article and paragraph headings used herein are intended primarily for reference and shall not by themselves determine the construction or interpretation of the Agreement or any portion hereof.

**IN WITNESS WHEREOF,** UH and Industrial Sponsor hereto caused this Agreement to be executed by their duly authorized representatives as of the day and year indicated below.

For UH

Richard Cox, Director  
Office of Technology Transfer & Economic  
Development (OTTED)  
University of Hawaii  
2200 Woodlawn Dr., Suite280  
Honolulu, HI 96822

By:

\_\_\_\_\_

Date: \_\_\_\_\_, 20\_\_

For (Industrial Sponsor)

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By:

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Date: \_\_\_\_\_, 20\_\_