Michigan State University Transparency and Options Memo for

Student Execution of a Non-Disclosure Agreement or Intellectual Property Rights Assignment

Dear MSU student,

You have received this memo because you are enrolled in a course for which you may be asked to sign a non-disclosure agreement (“NDA”) with a sponsor or you may be asked to assign your rights in inventions, software or copyright you and your team may create (an “IP Assignment”) to a sponsor of the course or to MSU. Before you decide whether to agree to the terms of an NDA or IP Assignment, the Office of the Provost encourages you to review this Memo carefully, along with any agreement you are asked to sign. If you are under age 18, a parent or guardian will need to sign the agreement on your behalf. The Office of the Provost has also asked that the course instructor review the agreement to ensure its scope is limited to course and semester for which you will receive information from a sponsor. MSU strongly encourages you to engage a person or people you trust, such as a parent or lawyer, to aid you in your decision. If you decide not to sign an NDA or IP Assignment if requested by a Sponsor, the faculty instructor will provide an alternate project meeting the same learning objectives as Sponsor’s project. The decision not to sign an NDA or IP Assignment will not impact the grading process or a student’s progress toward completion of a degree.

# Why would a student be asked to sign an NDA?

One of MSU’s goals is to provide varied experiences designed to prepare students for careers in their chosen field. To that end, MSU Faculty may engage with a community member, small business, or corporation (a “Sponsor”) to bring a real-world challenge into the classroom. The Sponsor may need to convey information to students that the Sponsor may consider proprietary or confidential in nature. In that case, a Sponsor will want to be sure the information is kept confidential and used only for the purposes of the students’ participation in the course.

Generally, students will be obligated to keep the information confidential for a specified time period.

**Why would a student be asked to assign ownership of intellectual property to a Sponsor?** In exchange for participation in a Sponsor’s project during a course, the Sponsor may want to own any intellectual property (“IP”) created by the students. In that case, the Sponsor may provide an IP Assignment to each participating student and may require each student to agree to the assignment terms. The assignment may or may not provide for any monetary or other consideration for the student’s assignment of IP rights. Most often, the student’s participation in the Sponsor’s project may be the only valuable consideration received by the student.

# Will MSU require a student to assign his/her IP rights to MSU?

MSU’s Policy on Development of Copyrightable Materials and its Patent Policy may be found at the links below. Both policies make clear that, with a few exceptions, students will own the copyright or patent rights they create to meet course requirements. See page 16 and Question 8 in the FAQ link here: <https://innovationcenter.msu.edu/wp-content/uploads/2024/07/MSU-Patent-Policy-Handbook-2020.pdf>

Policy on Development of Copyrightable Materials [https://hr.msu.edu/policies-procedures/faculty-academic-staff/faculty-](https://hr.msu.edu/policies-procedures/faculty-academic-staff/faculty-handbook/copyright_materials.html) [handbook/copyright\_materials.html](https://hr.msu.edu/policies-procedures/faculty-academic-staff/faculty-handbook/copyright_materials.html)

Patent Policy

<https://innovationcenter.msu.edu/tech-transfer-commercialization/faculty-researchers/msu-patent-policy/>

There are circumstances under which MSU may require students to assign rights to MSU as outlined in the policies referenced above. However, for purposes solely related to coursework, MSU will never require a student to assign his/her IP rights to MSU. Occasionally, MSU may undertake projects on its own or with a third party which may include the federal government involving subject matter that intersects course goals. In such cases involving non-government third parties, MSU Business Connect and MSU Technologies (MSU’s commercialization offices) will be responsible for negotiating terms with the other party. If a student’s IP is relevant to any such MSU project, the student may elect to assign his/her IP rights to MSU. Due to the effort required by an experienced staff and the expense associated with the evaluation, patent filing, marketing efforts of intellectual property, MSUT will decide whether it will accept a student’s offer to assign IP to MSU. If MSU accepts the assignment, the student will be treated as a University Inventor according to MSU’s Patent Policy and will share in any royalties (after costs are reimbursed) collected by MSU from licensing the IP. However, MSU is under no obligation to the student or any University Inventor to license the IP. If MSU has undertaken a project for the federal government that intersects with the course goals, the Office of Sponsored Programs will be responsible for negotiating terms with the government and students may be required to assign rights to MSU.

# What are the advantages/disadvantages to signing an NDA or IP Assignment?

Students’ advantages to signing an NDA or IP Assignment include: (1) access to the real-world projects offered by a Sponsor’s participation; (2) another entity may pay the expenses resulting in the student appearing on a patent as an inventor; and/or (3) possible royalty payment depending upon the terms of the IP Assignment.

Disadvantages to signing an NDA or IP Assignment include: (1) bearing an obligation to keep information confidential for a period of time if the student receives Sponsor’s confidential or proprietary information; (2) another entity, and not the student, will have control over what happens to the IP created by the student and will decide if a patent application is filed and how

much effort will be put toward commercializing the invention; (3) the Sponsor may require the student to surrender the student’s notes or a copy of the notes and to sign documents required to file patent applications; (4) the Sponsor may require the student to provide his/her up-to-date contact information; and/or (5) the student and/or Sponsor will be responsible for funding and resolving any legal issues that arise from the NDA or IP Assignment including any breach of confidentiality by the student.

If you have further questions related to your options as presented in this Memo, please contact the Office of Undergraduate Education (Korine Wawrzynski, Assistant Dean, 517-353-5380, email: steinke7@msu.edu).