

NEW JERSEY INSTITUTE OF TECHNOLOGY

REQUEST FOR APPROVAL FOR DEVELOPMENT OF A COMMERCIAL ENTERPRISE

NJIT recognizes that the potential to develop commercial enterprises to market university research based technology has increased and that such involvement can be of significant benefit to NJIT, the employee, the commercial entity, the general public, and the State of New Jersey. However, involvement of an NJIT employee with a commercial enterprise may create the possibility for conflicts of interest.

Prior to the development of a commercial enterprise and the entering into a contractual affiliation with NJIT, approvals must first be obtained.

Below outlines the responsibilities of individuals and the process to be followed when submitting a request.

Responsibilities: Requestor: Must complete the form in its entirety, and then submit it to the Department Chair.

Department Chair: Must review the form, and indicate approval or disapproval, with written recommendations. The form must then be sent to the appropriate Dean.

Dean: Must review the form and the Department Chair's recommendations, and approve or disapprove, and include written recommendations. The form is then submitted to the Executive Committee on Enterprise Development and Licensing Administration (EDLA).

EDLA: The EDLA will review the form, recommendations and approvals/disapprovals, and schedule a meeting in which the request will be placed on the EDLA agenda. The EDLA shall ordinarily render a decision whether the entering into a commercial enterprise with NJIT is approved/disapproved within thirty (30) days. The EDLA or its designee will send an approval/disapproval letter to the requestor.

Ethics Liaison Officer: The Ethics Liaison Officer (ELO) shall review the request and advise the EDLA with respect to ethics concerns and the ability to manage conflicts that may exist prior to the EDLA making its decision.

Should a material change in the criteria upon which the approval was granted occur, the EDLA reserves the right to rescind approval, after giving notice to the requestor and giving the requestor an opportunity to be heard.

After request approval, a license will need to be negotiated following NJIT's receipt of a formal business plan (e.g., executive summary, product or service, management team, market and competition, marketing and sales, business system and organization, implementation schedule, opportunities and risks, financial planning, and financing).

The following form must be completed in its entirety (additional pages containing your responses may be added):

REQUEST FOR APPROVAL FOR DEVELOPMENT OF A COMMERCIAL ENTERPRISE

Requestor/Employee:

Title:

Department:

Email:

Telephone:

Requestor's Primary Responsibilities at NJIT:

Describe in full detail the proposed commercial enterprise and the project for which approval is sought and the NJIT technology to be commercialized.

What is the nature of the relationship between the requestor and the commercial enterprise?

What will be the requestor's role in the commercial enterprise?

Please describe in detail the short and long-term commitment of time and effort.

Short-term:

Long-term:

Please outline the following financial aspects:

Extent of compensation:

Equity:

Direct or indirect benefits:

Potential economic value:

Please describe the expected benefits to:

The commercial enterprise:

To the requestor:

To NJIT:

To the State of New Jersey:

List all other individuals, and their relationship to the requestor, who will have an equity interest in the commercial enterprise:

Will students be involved in any way with the commercial enterprise? If yes, please explain.

Identify the NJIT owned research based technology that the requestor created (in whole or in part) that the requestor wants to license from NJIT for the purpose of commercializing same.

Is the requestor aware of any applicable NJIT employment visa issues (e.g., whether additional self-employment is permitted)?

Yes No

If yes, please explain.

Identifying Potential Conflicts:

How will the requestor ensure that the commercial enterprise will not interfere with the requestor's primary obligation to NJIT?

How will the requestor ensure that there is no inappropriate reorientation of an academic or research program?

How will the requestor ensure that there is no inappropriate reorientation of student direction?

How will intellectual property of students be protected?

Please explain in detail proposed steps that will be taken by the requestor to manage, reduce, or eliminate any actual or potential conflicts of interest.

Nepotism

Will relatives of the requestor be involved in the enterprise or project?

Yes No

If yes, list name and relationship of all relatives of the requestor and what their involvement will be.

(For purposes of this form, relative means spouse, parent, spouse's parent, child, sibling, aunt, uncle, niece, nephew, grandparent, grandchild, son-in-law, daughter-in-law, stepparent, stepchild, stepbrother, stepsister, half-brother, or half-sister, whether the relative is related to the requestor or the requestor's spouse by blood, marriage, or adoption)

Will individuals who reside with the requestor be involved in the enterprise or project?

Yes No

If yes, list name and relationship to the requestor and what their involvement will be.

Will the enterprise employ NJIT employees, other than the requestor?

Yes No

If yes, list all employees, their department, and indicate whether they are subordinates of the requestor.

Certification

I certify that the above statements are true and accurate to the best of my knowledge. I understand that intentional misrepresentation may lead to sanctions, up to and including termination, being imposed by NJIT, and also by the State Ethics Commission.

I further certify that I understand and agree to the following conditions of approval:

- **I must comply with all NJIT policies, including but not limited to employment and intellectual property policies, and the New Jersey State Conflict of Interest Law, the Uniform Ethics Code, and the NJIT**

- Supplemental Code of Ethics with respect to the operation of the start-up company;
- I agree to waive any share of royalties received by NJIT from the start-up company, which I would otherwise be entitled to under the NJIT Patent Policy and/or NJIT Copyright Policy so long as I am employed at NJIT. I understand that my waived share will go to my research laboratory/department during such time.
 - I agree that any and all new intellectual property created by me related to NJIT technologies licensed to the start-up shall belong to NJIT; and at the option of NJIT, may be added to the license with the start-up;
 - I understand to ensure academic integrity current students in my laboratory and/or classes will not be assigned to research projects benefiting the start-up and will not be permitted to function as employees of the start-up without prior written approval from NJIT;
 - I must adhere to any and all guidelines established by the Provost and/or appropriate Dean and Department Chair and/or NJIT policies governing time spent by me on outside activities;
 - If I am unable to uphold all of my NJIT responsibilities due to my involvement with the start-up, I will disengage from start-up business activities, seek an approved reduction of appointment or resign from NJIT;
 - In the sole discretion of NJIT, the start-up may under very specific circumstances support research projects at NJIT provided that all such projects are subject to the rules and requirements of the research sponsor (e.g., conflict of interest and confidentiality);
 - I understand that I must not use my NJIT office and/or laboratory mailing address for receiving and/or sending mail on behalf of the start-up;
 - Other NJIT faculty and staff who wish to work for the start-up may not do so without the prior written approval of the EDLA in consultation with the Provost and appropriate Dean and Department Chair; and NJIT employees who wish to work for the start-up must complete and have approved an Outside Activity Questionnaire;
 - NJIT employees not directly involved with the creation of NJIT technologies licensed to the start-up may not hold an equity or other ownership interest in the start-up without prior written approval from NJIT;
 - Joint owners of the start-up cannot be in a supervisor/subordinate employment relationship at NJIT without prior written approval from NJIT;
 - NJIT resources should not be used by the start-up to support its product development or other activities without prior written approval from NJIT; and
 - The start-up will not use the name of NJIT in any publicity, advertising, or news releases without prior written approval from NJIT.

[Signatures/approvals on following page]

Requestor's Signature:

Printed Name:

Date:

Please submit completed form to the Department Chair

Review and Approval/Disapproval

I, as Chair of the Department, have reviewed this proposal and it is

Approved

Disapproved

Please provide comments/recommendations based on your determination, or the reasons for the disapproval.

Please submit completed form to the Dean

I, as Dean of the School, have reviewed this proposal and it is

Approved

Disapproved

Please provide comments/recommendations based on your determination, or the reasons for the disapproval.

**Please submit completed form to the Executive Committee on
Enterprise Development and Licensing Administration
and the Ethics Liaison Officer**
