

CENTER FOR SUSTAINABILITY OF THE FOOD SUPPLY SYSTEM

BYLAWS

I. ORGANIZATIONAL STRUCTURE

The Center for Sustainability of the Food Supply System (CSFSS) is an NSF IUCRC Founded Center. The multi-campus Center is presently housed at TBD; between North Carolina State University (NCSU), the University of California, Davis (UCD), and The Ohio State University (OSU). Each campus is referred to as a Center site. Other sites may be added as needed.

The organizational pattern of the Center includes a Managing Director, Site Directors, Academic Policy Committee (APC), Industrial Advisory Board (IAB), Industry Monitors, and Research and Administrative Staff Members.

Center administration consists of a Managing Director and Site Directors who report either directly or indirectly (through a College Associate Dean for Research) to their respective campus Vice Chancellor for Research (VCR). Other administrative staff members may be added as necessary.

A. Managing Director

The Managing Director oversees the Center operation at specific sites, coordinates Center information, and presides at IAB meetings. The Managing Director will be approved by the Academic Policy Committee and appointed by an appropriate administrative official at the Director's home campus. The Industry Advisory Board and Site Directors may initiate this process by recommending candidates to the IAB.

B. Site Directors

The Site Directors work with the faculty deriving funds from each respective site. They interact with the IAB to identify key technology areas and establish long-range goals and short-range planning procedures necessary for an overall research program in these key areas. They are also the primary liaison with potential industrial members of the Center. Specific responsibilities of Site Directors include:

- * Soliciting and developing research projects based on recommendation of IAB
- * Budgeting and administering Center funds at their home site
- * Interacting with industry participants through the IAB
- * Interacting with the Universities through the Academic Policy Committee
- * Promoting the scientific affairs of the Center
- * Seeking new participants in the Center
- * Making policy decisions
- * Being responsible for annual report and coordinating meetings
- * Implementing policies
- * Coordinating site information services
- * Overseeing site Center operation

The Site Directors have administrative authority in the operation of each Center site, including fiscal control, policy decisions, and appointment of technical staff. Final decisions will ultimately be made by the Vice Chancellors for Research or his/her designate at each individual Center site. The Site Directors receive recommendations and advice from the Industrial Advisory Board and Academic

Policy Committees. As needs develop, Assistant and/or Associate Directors may be added to carry

DRAFT

out the activities of the Center sites.

C. Academic Policy Committee (when applicable)

The Academic Policy Committee, co-chaired by the VCR at each Center site, is comprised of Deans, Associate Deans, administrative staff from the university grants offices, and Department Heads from the academic units involved in the Center. Appointment to each campus component of the APC will be made by the campus' VCR. This committee reviews the Center program to assure that the activities of the Center continue to meet the criteria for scientific and academic research and that proposed programs are consistent with the long-range goals of the Center and of each Center site.

The APC has the responsibility to ensure faculty rights within the respective university's academic freedom and tenure policies. Faculty participation at each Center site will be viewed as a major university responsibility. Contributions made by faculty to the Center will be considered during times of promotion, granting of tenure and salary increases, in accordance with the normal policies governing such activities at each site. The APC will also have the final responsibility in protecting the rights of graduate students whose funds are derived from the Center.

D. Industrial Advisory Board

1. Full membership - Each full member company of the Center is given one vote on the IAB consisting of 1000 points. Board members review proposed and existing Center programs and recommend alternatives or additions to budgets and policies pertaining to any aspect of the Center. The full membership fee is \$40,000 per year.

2. Associate membership - Each associate member company of the Center is given one vote on the IAB consisting of 575 points. Associate members do not receive patent rights. Board members review proposed and existing Center programs and recommend alternatives or additions to budgets and policies pertaining to any aspect of the Center. The associate membership fee is \$22,500 per year and is only available to companies with less than 500 employees.

3. Membership fees will be evaluated every 2 years, at which time any future increase of not more than 5% will be considered.

Responsibilities of the IAB include:

- * Reviewing all research proposals and recommending projects for funding.
- * Reviewing operating and research budgets.
- * Making policy recommendations.

E. Industrial Monitors

Each sponsor should appoint industrial monitors to act as the primary technical liaison between the Center and the sponsor company. Such an arrangement helps to foster communication and provides for quicker transmission of pertinent data. These individuals will monitor progress on specific research projects and will report results to their organizations through an IAB voting member.

F. Evaluator

The Industry/University Cooperative Research Center has an evaluator assigned. This individual is responsible for implementation of the Foundation's Center Assessment Program. The Center evaluator is a faculty member who has an extensive background in program evaluation and development as well as research methodology. The evaluator will serve as both an external analyst and as an internal advisor/consultant.

The Center Assessment Program consists of a series of evaluation studies that begin during each Center's planning phase and continues until the center disbands. The program's purpose is to identify the factors that

contribute to and/or inhibit attainment of Center goals and outcomes, whether scientific or economic. Included among the four basic types of studies are:

1. comparative analysis of the Center 's developmental history;
2. network analysis of interaction patterns between university and industrial researchers;
3. organizational description of the Center;
4. intermediate as well as long-term studies of organizational effectiveness.

II. POLICIES

A. Amendment Policy

These Bylaws may be amended by a two thirds vote of the membership.

B. Patent Policy

1. Title. All patents derived from inventions conceived and first actually reduced to practice in the course of research conducted hereunder by project managers of the Center shall belong to the institution of research where the work was performed.
2. Associate members do not have patent rights.
3. Member Company Rights - For Internal Use Only. The idea of an invention is first disclosed to the appropriate Patent Official at the respective Center site. To the extent the Center site institution is legally able to do so, participating Center member companies will have the first option to receive a royalty-free, non-exclusive, non-commercial license for internal use only by paying associated patent costs. These costs will include any charges incurred by patent attorneys to render a patent opinion. In the event that all Center member companies are not willing to commit Center resources, then one or more member companies may pay patent costs and obtain a royalty-free, non-exclusive, noncommercial license for internal use only. The option for an exclusive license will be made available through the rules of the Center site where the research was performed. In all cases, the Center site institution will retain ownership of the patent.
4. Member Company Rights - Commercial. The foregoing notwithstanding, with respect to each invention, whether patentable or not, which is conceived and first reduced to practice in the course of research conducted by the Center site personnel hereunder, the Center site institution, to the extent it has the legal right to do so, will grant to member companies the right to negotiate a license to commercially use any invention disclosed after the date of company's Center membership. Commercial licenses to make, have made, and sell inventions will be made available to Center member companies only on a royalty-bearing basis with consideration of research support. An exclusive commercial license may be granted, subject to the specific patent policy of the Center site institution where the patentable invention was generated; under an exclusive commercial license, member companies may have the right to sublicense to their subsidiaries and affiliates. The date an inventor signs the Patent Disclosure Statement will be the official date of patent rights. In the event of joint inventorship between a Center site institution and member companies, these member companies also have the right to sublicense subsidiaries and affiliates and other parties required to be licensed under member companies' license agreements.
5. License to Non-Member Companies. If member companies do not wish to exercise patent options, then the Center site institution may elect to pay the patent costs or seek support from non-member companies. Commercial, royalty-bearing licenses would be granted in this case. Such patent and licensing activities shall be subject to the inventing university's patent policies and practices.
6. Inventions by Center Non-Site Institutions. Projects that are supported by the Center at universities other than NCSU, UCD, or OSU will follow a similar patent policy. However, the patent will be channeled through that university's patent committee and will be owned by that university. Member companies will have the right to obtain royalty-free, non-commercial licenses for internal use only to all such patents.
7. Recovery of Costs.
 - a. If at the time an invention is disclosed, all active member companies agree to sponsor a patent

application as part of the overall Center budget, then all active member companies shall receive the royalty-free non-exclusive, non-commercial license for internal use only and shall continue to have that license so long as they remain active members of the Center or continue to pay their equal share of the patent costs to maintain the rights if their membership terminates.

b. If a few member companies wish to obtain royalty-free, non-exclusive, noncommercial licenses for internal use only, then they shall be expected to pay an equal share of patent costs and shall have the license as long as they continue to participate in the support of the patent costs. Licenses shall terminate upon their failure to continue to support their share of the patent costs.

c. Any request by a Center member who was a member at the time an invention was initially disclosed and which did not exercise its right to a royalty-free, noncommercial license for internal use only at that time, but later wishes to obtain such a license, will be treated on a case-by-case basis. Any request by a Center member, which was not a member at the time an invention was initially disclosed but which wishes to obtain a license will also be treated on a case-by-case basis.

C. Publication Policy

Publication of research in scientific journals is encouraged. A copy of materials intended for disclosure by Center sites shall be submitted to each IAB member not less than thirty (30) days prior to the Center site release for publication or other dissemination, for the purpose of IAB member review for patentable subject matter and proprietary information. Any member of the IAB can request up to a maximum six-month delay in publication, if it is determined that patentable material is contained in the publication. The IAB member must respond within thirty (30) days of receipt to request a publication delay. If the IAB member finds inadvertent inclusion of member company-proprietary or -confidential information, as defined in Article D below, the IAB member shall immediately notify the Center site which agrees to delete such proprietary or confidential information from the material prior to publication or other dissemination. Under no circumstances will a student's thesis, for which funds are derived from the Center, be delayed in degree confirmation.

D. Confidentiality

Member companies may provide Center -supported researchers certain information, data or material in written or other tangible form which member companies regard as confidential or proprietary in nature. Such information, clearly marked "CONFIDENTIAL INFORMATION," which is disclosed by member companies to Center site employees during the period of performance hereunder and which is not in the public domain, shall be considered by Center researchers as confidential in nature. Center sites agree to use their best efforts to prevent disclosure to third parties of such confidential or proprietary information in the absence of any written consent by member companies of such disclosure. Center sites shall, however, not be held liable for inadvertent disclosure of such confidential material, provided Center sites have exercised reasonable care and adequate security aimed at maintaining the confidentiality of the information.

Center supported researchers may provide member companies certain information, data or material in written or other tangible forms which Center -supported researchers regard as confidential or proprietary in nature. Such information, clearly marked "CONFIDENTIAL INFORMATION," which is disclosed by Center site employees to member companies during the period of performance hereunder and which is not in the public domain, shall be considered by member companies as confidential in nature. Member companies agree to use their best efforts to prevent disclosure to third parties of such confidential or proprietary information in the absence of any written consent by the Center site of such disclosure. Member companies shall, however, not be held liable for inadvertent disclosure of such confidential material provided member companies have exercised reasonable care and adequate security aimed at

maintaining the confidentiality of the information.

E. Software Copyright Policy

At the request of member company(ies), software developed by the Center will be copyrighted. Such copyrights will belong to the Center site where the software was developed. Member companies will have the right of first refusal to a license to such copyrights.

F. Communications

Two sponsor meetings per year are scheduled, each dealing with both technical and administrative topics. Scientific results from each Center will be discussed in presentations and demonstrated visually. Involvement of Center graduate students and postdoctoral fellows will be utilized as appropriate. The Center will generate semi-annual technical reports of research progress. Semi-annual technical reports and research proposals will be provided at each scheduled meeting. New research proposals will be sent to IAB members one month before each scheduled meeting.

The Center will also publish a Center Annual Report in which Center accomplishments, the financial status, and prospects for the future are reviewed. Center investigators (project managers) will transmit project manuscripts, preprints and theses in accordance with the above publication and patent policies.

Seminar programs, workshops, invited speakers, and symposia on advanced processing and packaging technology may be organized to further technology transfer. Member companies will make the final decision on whether to allow non-member companies to participate in such programs.

G. "Phase-Out" Policy

If a decision is ever made to discontinue the partnership of one or all of the Center sites, then the VCR at the Center sites shall communicate and coordinate an orderly "phase-out" plan. The "phase-out" period for one or all of the Center sites will be sufficient to permit an orderly termination or transfer of contractual obligations and will allow ample time to find alternate employment for full-time staff. Normally, the "phase-out" period will be no more than one year after the end of the academic year in which the decision is made to discontinue the unit.

III. INDUSTRY/UNIVERSITY INTERACTION

A. Enhancement Projects

Some member companies which have particular interests in certain aspects of the Center research program may want to pursue accelerating a particular project or creating new projects within the Center structure. These projects are called enhancement projects. Such projects enable additional funding to be allocated to reinforce and/or expedite new or ongoing projects within a specific research area. Enhancement projects are distinguished by increased interaction between University and member company researchers. Research at the Center may be closely related to projects at the member company facility. Results of enhancement projects are available to all member companies. Proprietary research is handled outside the Center structure.

B. Industry Personnel as Visiting Scientists

Industry personnel will have the opportunity to participate directly in Center research as visiting scientists, subject to the relevant policy of the hosting Center site. Lengths of assignment and responsibilities will be determined on an individual basis.