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NC State University

# NONWOVENS COOPERATIVE RESEARCH CENTER

## **BYLAWS**

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**NONWOVENS  
COOPERATIVE  
RESEARCH CENTER**  
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# NONWOVENS COOPERATIVE RESEARCH CENTER

## BYLAWS

### CHARTER

The **Nonwovens Cooperative Research Center** (NCRC) serves the nonwovens industry through fundamental and applied research in the technologies of the industry and an active program of technology transfer. The Center has developed **core research**, **non-core research**, and **technology transfer** activities.

**Core** research programs are developed jointly by the Center faculty/staff and the NCRC member companies. **Core** research programs focus on areas such as

- **the development of new materials**
- **the modification of existing materials**
- **basic studies that lead to a better understanding of technologies**
- **applied research directed at process material – property relationships**
- **the development of instrumentation and test methods for nonwoven fabrics.**

Core research programs are supported by funds from the **State of North Carolina** and fees from NCRC **member companies**. The results of the research are proprietary to the NCRC and **to all member companies of the Center**. This information is placed in the public domain, through **presentations and publications, poster presentations, software, and patent disclosures**, only **after the approval of the Industrial Advisory Board (IAB)** of NCRC. The policies governing the ownership of intellectual property are discussed under the policy section.

A **non-core** research program focuses on one or more of the above objectives but is carried out for an individual company. The single company sponsored programs can be proprietary and are made public only if the sponsoring company agrees. Non-core projects of special interest can also be developed for a group of NCRC member or affiliate companies. The results of such research are made public only if the sponsoring companies agree.

The Center carries out an active program of **technology transfer** supported by funds from the **State of North Carolina** and **industrial members**. This program seeks to disseminate technology developed by the Center along with existing knowledge of the management of materials and processes. Such programs are provided in the form of:

- **training and assistance in the implementation of Center developed technology**
- **courses taught at plant sites**
- **workshops at the Center**
- **industrial internships**
- **focused seminars, symposia, and conferences**
- **one-on-one consulting.**

To carry out its research mission, NCRC seeks out talent at North Carolina State University as well as other universities such as Georgia Institute of Technology, Clemson University, University of Georgia, Philadelphia University, University of Tennessee, University of California Davis and others. Such **cooperative research programs** are undertaken by the faculty, staff, and students of these universities with the approval of the IAB.

# A. ORGANIZATIONAL STRUCTURE

The organizational structure is designed by the director or co directors in response to current needs of the center. Organizational structure is reported to the Executive Committee and IAB biannually. Changes in this structure can be proposed by either body as required.

## 1.0 - The Director/Co-Directors

The Director (Co-Directors) of the Center report to the Vice Chancellor for Graduate Studies and Research.

The Director/Co-Directors works closely with the Center Fellows, the IAB and the University Policy Committee to identify key areas of research in support of the technology of the industry and to establish short-range and long-range goals in pursuit of the mission of the Center. In like manner, they work with the Associate Director, the Center staff, the Center faculty, the IAB and the university to select and implement technology transfer activities of the Center. The Director/Co-Directors coordinate membership development, non-routine research, and technology transfer activities with members of the IAB and the Associate Director as well as other staff.

Specific responsibilities of the Director/Co-Directors include:

- **Coordination of the core and non-core research projects.**
- **Selection and granting of research projects based on recommendations of the IAB**
- **Budgeting and administration of the NCRC funds**
- **Interaction with industry participants through IAB and other formal and informal mechanisms**
- **Interaction with the university through the University Policy Committee**
- **Promotion of the research and technology transfer mission of the Center**
- **Seeking new participants in NCRC**
- **Making the necessary policy decisions with regard to operation of the Center and implementation of the Center-related university policies**
- **Coordinating the annual report and meetings supportive of the mission of the Center**
- **Coordinating information services related to the Center activities**
- **Overseeing the Center operation**

The Director/Co-Directors has/have administrative authority in the operation of the Center, including fiscal management, policy decisions, selection of research projects and appointment of the technical and administrative staff. The Director/Co-Directors receives recommendations and advice from the IAB Executive Committee, IAB and UPC.

Subsequent Directors/Co-Directors will be appointed by the Chancellor of the University (NCSU) upon recommendation of Dean of the College of Textiles, and with the advice and consent of the IAB.

The Director/Co-Directors recommended/appointed shall be individuals with demonstrated knowledge of the field of nonwovens technology, an established record of research and scholarship in the field, demonstrated administrative skills, and an acknowledged position of leadership in the industry.

The Associate Director(s) are appointed by the Director/Co-Directors, in consultation with the University Policy Committee and the Industrial Advisory Board. Other research and administrative staff of the Center will be appointed by the Director/Co-Directors in consultation with the Associate Director(s).

For each revision of the long-range plan of the University, the Director/Co-Directors will submit a report on the Center's plans to the Dean of the College of Textiles, according to University policies.

## 2.0 - The University Policy Committee (UPC)

The UPC, chaired by the Vice Chancellor for Graduate Studies and Research (NCSU), or his/her designee, is comprised of the Dean of the College of Textiles (COT) and relevant department Heads of the concerned academic units involved in the Center.

The UPC will help ensure that the Center abides by all University policies and State laws. In particular, the University Policy Committee will assist in ensuring that the operations of the Center are consistent with faculty rights responsibilities, and professional development as documented in the Faculty Handbook. Similarly, the Committee will assure the equitable treatment of undergraduate and graduate students, and other staff associated with the Center.

### **3.0 - The Membership**

All companies, regardless of their geographical location/origin, engaged in the manufacture of nonwoven goods, or who are raw material and auxiliary suppliers to the nonwovens industry, nonwovens machinery manufacturers and converters of nonwoven goods into end use items, or U.S. government organizations which have an interest in nonwovens, are entitled to be members of the Center. The IAB will review the membership categories and associated privileges from time to time and advise judicious changes, in accordance with bylaws, when necessary. Multiple-tier membership is available as defined in the memorandum of agreement. Any exception to the criteria above must be approved by the IAB Executive committee.

#### **a. Full Members**

Companies meeting the criteria listed above who want to become FULL MEMBERS, will be recommended to the IAB Executive Committee who will confirm the admittance of all MEMBERS.

Full MEMBERS of the Center pay an annual fee to support generic research carried out in the Center. The fee guidelines are determined by the IAB annually. The MEMBERS have representation, with voting rights, on the IAB. They are entitled to participate in the patenting of any inventions conceived by the Center faculty, staff and students during the conduct of Core Research of the Center, as set forth in section B.2. Their representatives are entitled to attend meetings of the Center where results of the Core Research program are reported. They receive semi-annual progress reports and an annual report of the Center. Their staff is entitled to attend workshops, training seminars and research symposia organized by the Center at reduced rates as determined by IAB policies. They are entitled to use the research and production facilities of the Center for their R&D activities, based on availability, and at reduced fees mutually agreed upon by the IAB and the Center administration.

The fee structure, the voting rights and the associated privileges are approved by the IAB Executive Committee and may change from time to time.

#### **b. Affiliate Members**

The IAB assists in recruiting small to medium size companies as AFFILIATES. The AFFILIATES pay an annual fee, determined by the IAB, to support generic research carried out in the Center. Their representatives attend the Center meetings where research progress is reported and receive reports. They are not entitled to participate in the patenting of any inventions made by the Center nor in the licensing of such inventions for commercial purposes, other than in accordance with section B.2. (f).

The AFFILIATES do not have representation on the IAB. They are entitled to use the research and production facilities of the Center for their R&D activities, based on availability, and at reduced fees mutually agreed upon by the IAB and the Center administration. Their staff is entitled to attend workshops, training seminars and research symposia, organized by the Center, at reduced rates as determined by the IAB policies.

Multiple-tier membership, as approved by the IAB, is available. The fee structure and the associated privileges are approved by the IAB Executive Committee and may change from time to time.

#### **c. Emeritus Members**

Emeritus members are those individuals who have significantly contributed to NCRC activities over an extended period of time as an employee of a member company, or the NCRC. Emeritus members are elected by majority vote of the IAB Executive Committee. Emeritus members pay no annual fee and are required to sign all confidentiality agreements. They may attend Center meetings where research progress is reported, and receive reports. They are not entitled to the use of Center generated intellectual property without appropriate license, use of

research or production facilities at reduced fees, or voting participation in the IAB. They may attend workshops, training seminars, and research symposia organized by the center with no fees.

#### **4.0 - The Industrial Advisory Board**

Each FULL MEMBER is represented on the IAB by one individual (together with a designated alternate) and has one vote. The IAB reviews proposed and existing Center programs and recommends alternatives or additions; it also reviews budgets and policies pertaining to any aspect of the Center. In particular the IAB

- **Receives annual reports of the Center**
- **Reviews operating and research budgets**
- **Makes policy recommendations**
- **Assures proper balance between Core and Non-Core Research programs in the Center**
- **Advises on criteria for admittance as MEMBERS, AFFILIATES, or EMERITUS**
- **Reviews all Core-Research proposals and recommends priorities to the Director/Co-Directors**
- **Attends the semi-annual meetings of the Center and receives progress reports.**

## 4.10 - The Industrial Advisory Board Executive Committee

This committee shall consist of nine individuals representing full member companies and shall provide membership oversight and policy guidance to the NCRC.

- **The IAB Chair shall serve a 2 year term.**
- **The IAB Vice-Chair shall serve a two year term followed by a 2 year term as IAB Chair.**
- **Seven additional members shall be elected for 5 year terms.**
- **Elections shall occur at the Fall Semi-Annual meeting or as required to fill vacancies.**

## 5.0 - The Industrial Interns

**FULL MEMBERS** (not AFFILIATES) are encouraged to send their selected technical staff to the Center on sabbatical leaves to permit appropriate research and technology transfer activities of the Center.

## 6.0 - The Center Analyst

The CENTER may select/appoint a Center Analyst with the approval of IAB and the University Policy Committee. This individual shall report to the IAB and be responsible for implementation of the Center Assessment Program. He/she shall serve as both an external analyst and as an internal advisor/consultant.

The Center Assessment Program consists of a series of evaluation studies that began during the Center's planning phase and continued through the period of NSF support and beyond. The program's purpose is to identify 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 development history; 2) organizational description of the Center; and 3) intermediate as well as long-term studies of organizational effectiveness. The primary input for organizational effectiveness, however, comes from the IAB.

# B. POLICIES

## 1. Amendment Policy

These Bylaws may be amended by a two-thirds vote of IAB voting members present.

## 2. Patent Policy Regarding Core Research

(a) Title to any invention or discovery made or conceived in the performance of the Core Research program by a University employee shall remain with the University, provided, however, that the University shall grant to Center FULL MEMBERS (not AFFILIATES) a non-exclusive royalty-free irrevocable license for internal use of such invention or discovery. If an invention or discovery is made by an employee of FULL MEMBER'S or AFFILIATE'S organization as a direct result of such employee's participation in the Core Research of the Center, the title to the invention shall remain with the FULL MEMBER or AFFILIATE. The FULL MEMBER, however, will grant to the University a non-exclusive royalty-free license for the use of the invention or discovery, that is patented or otherwise made public and if it is relevant to the Core Research of the Center, for research purposes for as long as the Center is in existence. Any invention or discovery made or conceived in the performance of the Center Core Research program, jointly by employees of the University and employees of FULL MEMBER or AFFILIATE shall be deemed a joint invention with all parties sharing equally in the rights thereto.

(b) University inventions shall be promptly disclosed to FULL MEMBERS by the University. FULL MEMBERS shall provide notice in writing to the University to acquire license rights and to support patent filings within thirty (30) days from receipt of the University's invention disclosure. FULL MEMBERS agreeing to share in the cost of patenting such inventions shall have certain rights and options as further discussed below in sections B.2. (c) and B.2. (d).

(c) FULL MEMBERS participating in the cost of filing, prosecuting and maintaining a patent application shall have an option to acquire a royalty-bearing license to make, use and sell products or processes for commercial purposes, said license to be exclusive among those FULL MEMBER(s) (hereinafter a "Limited Exclusive License"). Those FULL MEMBER(s) who have said option shall be required to exercise the option unanimously in order to acquire the Limited Exclusive License. In addition, the option must be exercised within six (6) months of the filing of an U.S. patent application. If the FULL MEMBERS participating in the cost of filing patents do not unanimously elect to exercise the option, or if they do not do so within six (6) months of the filing of a patent application, then the option for a Limited Exclusive License shall terminate, and rights to such patents or patent applications shall be in accordance with other sections of these bylaws.

(d) If no Limited Exclusive License (as described above in section B.2. (c)) Is granted, then those FULL MEMBERS who participated in the cost of filing, prosecuting and maintaining a patent application, shall have a non-exclusive, royalty free, irrevocable license to make, use and sell products based on the patent applications for commercial purposes.

(e) If no Limited Exclusive License (as described above in section B.2. (c)) Is granted, then those FULL MEMBERS that did not participate in the cost of filing, prosecution and maintenance of the patents, but who subsequently wish to use the patented invention for commercial purposes, shall be allowed to negotiate a royalty-bearing, non-exclusive license, provided they (FULL MEMBERS who did not pay the costs) also pay the Center their share of the unpaid membership dues from the day of conception of the invention, if any, and the costs of filing, prosecution and maintenance of the patents in equivalent dollars.

(f) If no Limited Exclusive License (as described above in section B.2. (c)) Is granted, then AFFILIATES who wish to use the patented invention for commercial purposes shall be allowed to negotiate a royalty-bearing, non-exclusive license, provided they (AFFILIATES) pay their share of the costs of patenting and maintenance as well as the difference between membership fees and those charged to the AFFILIATES as if they **were** FULL MEMBERS in good standing beginning in the year the invention was conceived, in equivalent dollars.

(g) The University shall file for and prosecute patent applications on behalf of the Center if patent protection is desired pursuant to sections B.2. (a) and B.2. (b) hereof. The FULL MEMBERS (not AFFILIATES) desiring the filing, prosecution and maintenance of a patent shall equally share the cost of doing so and shall have the right to advise the University regarding the manner of filing and prosecution of the patent and its subsequent maintenance, as long as such advice does not conflict with the University policies and practices.

(h) All policies that apply to the filing, prosecution, maintenance and licensing of patents in USA also apply to filing, prosecution, maintenance and licensing of patents in any other country on a country by country basis.

### **3. Confidentiality Policy**

From time to time, the Center may develop Confidential Information. Accordingly, it is understood that such Confidential Information will be treated as follows:

(a) "Confidential Information" includes technical and/or business information disclosed by the Center to all members. Such information, if disclosed in writing shall be deemed confidential only if it is designated in writing as confidential to the members at the time of disclosure; if orally presented, it shall be deemed confidential only if it is identified as confidential at the time of disclosure. Confidential Information may be disclosed, as members deem necessary, to their employees and others under their control, all of whom will be directed and required to conform with the provision hereof.

(b) The members agree to use the same care and caution to avoid publication or dissemination of Confidential Information as they use with respect to their own proprietary information; provided, however, that members shall not be liable for disclosure of such Confidential Information which:

- i. is, or becomes, available to the public other than by breach of any obligation herein assumed by the members; or
- ii. is furnished to a third party by Center without restriction of the third party's right to disseminate the Confidential Information; or

- iii. is disclosed with the Center's written permission; or
- iv. Is already known to the receiving member other than from any previous unexpired confidentiality obligation with Center as evidenced by tangible records; or
- v. Is independently developed by the receiving member as evidenced by tangible records; or
- vi. Is disclosed to the receiving member by a third party having the right to make such disclosure.

If members wish to use Center developed Confidential Information in filing their patent applications, the members will request permission from NCSU to allow the inclusion of such Confidential Information in such patent application(s), and such permission will not unreasonably be withheld.

(c) The obligations of this Section B.3. Shall continue with respect to any Confidential Information disclosed hereunder for a period of one (1) year from the date of disclosure thereof, regardless of whether FULL MEMBER and/or AFFILIATE remains a FULL MEMBER and/or AFFILIATE of the Center during said period.

(d) In the course of carrying out the work of the Center, the Center does not expect to receive any confidential information from the FULL MEMBERS or AFFILIATES. If, to benefit the Core Research program of the Center, it becomes necessary for a FULL MEMBER or AFFILIATE to divulge proprietary information to any member of the staff of the Center (including students), such divulgence shall be made in writing, or if made orally, confirmed in written summary within thirty (30) days of disclosure. It will be the responsibility of the individual(s) involved in such transaction to keep the information confidential.

#### **4. Publication Policy**

For the purposes of this Article 4, "Publication" shall be deemed to mean any written, oral, or other public divulgence of research results, including the public use or sale of an invention based on the research results, to the extent that any such event could bar the availability of patent protection in foreign jurisdictions or trigger the one-year grace period in the U.S. within which a U.S. patent application must be filed.

Publication of research results in scientific journals is encouraged. In order to prevent untimely publication of patentable research, a publication-delay mechanism has been established. Notification of intent to publish must be sent to each member of the Industrial Advisory Board. Any member of the board can request a maximum six-month delay in publication from the date of notification to determine whether the paper contains patentable material, or if the company making the request has a justifiable reason. If it is determined that patentable material is contained in the proposed publication, such material will be either deleted and publication will be allowed to proceed, or publication will be suspended until all necessary intellectual property rights have been secured through filing of patents. The IAB member must respond within thirty (30) days of receipt to request a publication delay. Failure to respond by a given IAB member shall be construed as approval of the publication by that member.

Under no circumstances will a student's thesis, for which funds are derived from the Center, be delayed in degree confirmation; provided, however, that student theses shall be subject to a six-month delay provision following their approval before they are made publicly available in University libraries; and provided, further, that the University may be released from this six-month delay period if the IAB members unanimously acknowledge that the thesis does not disclose patentable subject matter, or if a U.S. patent application is placed on file which covers the subject matter of the thesis.

#### **5. Software Copyright Policy**

Copyright to the software developed by the Center will belong to NCSU. During the term of their membership, the FULL MEMBERS (not AFFILIATES) will be granted a license for internal use only. The FULL MEMBERS will have the right to sub-license the software to their subsidiaries and affiliates also for internal use only. In case the software is used as part of a commercial product, the FULL MEMBER shall pay royalty to the University at a mutually negotiated rate, even if the software has been modified and/or augmented by the FULL MEMBER company personnel. The

University will not release software copyrighted material except pursuant to the terms and conditions of membership in the Center.

## **6. Communications Policy**

FULL MEMBERS and AFFILIATES receive a semi-annual technical report of research progress. The Center also publishes the NCRC Annual Report in which Center accomplishments, financial status and prospects for the future are reviewed. Center investigators transmit project manuscripts, preprints and theses in accordance with the above publication and patent policies. Reports are distributed at the scheduled meeting.

Two meetings per year of IAB are held. The meetings deal with technical and administrative topics. The Center hosts one annual meeting for all members at the NCSU campus, to present an executive summary of the year's accomplishments. Scientific results from the Center are discussed in presentations and demonstrated visually. Involvement of NCRC graduate students, postdoctoral fellows and research associates is utilized as appropriate.

## **7. "Phase-out" Policy**

If a decision is ever made to discontinue the research Center, then the Chancellor should forward such a recommendation to the President.

Subject to the availability of funds, the "phase-out" period for the research Center 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.

# **3. INDUSTRY-UNIVERSITY INTERACTIONS**

## **1. Non-Core Research Projects**

Some members that have particular interest in certain aspects of the NCRC Core Research program may want to accelerate or further reinforce a particular project by granting additional funds for the purpose. Such grants are considered as enhancements of the Core Research program.

The members may also create (sponsor) new projects of their choice within the NCRC structure. These projects are called Non-Core Research projects, and carry indirect costs at the university-determined rates. Such projects are distinguished by increased interaction between University and company researchers. Research at the Center may be closely related to projects at the company facility. Results of Non-Core Research projects are available to all FULL MEMBERS and AFFILIATES if and only if the sponsoring company so designates. The Sponsoring Company may negotiate with the university licensing terms pertinent to any intellectual property developed under the Non-Core project.

## **2. Industry Personnel as Visiting Scientists**

Industry personnel from FULL MEMBERS (not AFFILIATES) can have the opportunity to participate directly in NCRC research as visiting scientists. Lengths of assignments and responsibilities will be determined on an individual basis.