

Chapter 39 Employment Inventions Act

34-39-1 Citation of act.

This act is known as the "Employment Inventions Act."

Enacted by Chapter 217, 1989 General Session

34-39-2 Definitions.

As used in this chapter:

- (1) "Employment invention" means any invention or part thereof conceived, developed, reduced to practice, or created by an employee which is:
 - (a) conceived, developed, reduced to practice, or created by the employee:
 - (i) within the scope of his employment;
 - (ii) on his employer's time; or
 - (iii) with the aid, assistance, or use of any of his employer's property, equipment, facilities, supplies, resources, or intellectual property;
 - (b) the result of any work, services, or duties performed by an employee for his employer;
 - (c) related to the industry or trade of the employer; or
 - (d) related to the current or demonstrably anticipated business, research, or development of the employer.
- (2) "Intellectual property" means any and all patents, trade secrets, know-how, technology, confidential information, ideas, copyrights, trademarks, and service marks and any and all rights, applications, and registrations relating to them.

Enacted by Chapter 217, 1989 General Session

34-39-3 Scope of act -- When agreements between an employee and employer are enforceable or unenforceable with respect to employment inventions -- Exceptions.

- (1) An employment agreement between an employee and his employer is not enforceable against the employee to the extent that the agreement requires the employee to assign or license, or to offer to assign or license, to the employer any right or intellectual property in or to an invention that is:
 - (a) created by the employee entirely on his own time; and
 - (b) not an employment invention.
- (2) An agreement between an employee and his employer may require the employee to assign or license, or to offer to assign or license, to his employer any or all of his rights and intellectual property in or to an employment invention.
- (3) Subsection (1) does not apply to:
 - (a) any right, intellectual property or invention that is required by law or by contract between the employer and the United States government or a state or local government to be assigned or licensed to the United States; or
 - (b) an agreement between an employee and his employer which is not an employment agreement.
- (4) Notwithstanding Subsection (1), an agreement is enforceable under Subsection (1) if the employee's employment or continuation of employment is not conditioned on the employee's

acceptance of such agreement and the employee receives a consideration under such agreement which is not compensation for employment.

- (5) Employment of the employee or the continuation of his employment is sufficient consideration to support the enforceability of an agreement under Subsection (2) whether or not the agreement recites such consideration.
- (6) An employer may require his employees to agree to an agreement within the scope of Subsection (2) as a condition of employment or the continuation of employment.
- (7) An employer may not require his employees to agree to anything unenforceable under Subsection (1) as a condition of employment or the continuation of employment.
- (8) Nothing in this chapter invalidates or renders unenforceable any employment agreement or provisions of an employment agreement unrelated to employment inventions.

Enacted by Chapter 217, 1989 General Session