

**Title:** IP Management Procedures

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IP Management Procedures

1. **Types of Intellectual Property**

Intellectual property generated by the University includes copyright material, inventions, designs and trademarks, all of which may be protected by law. The University and its staff and students may also possess confidential information, trade secrets, know-how and understanding which are equally vital for the success of any commercial exploitation.

1. **Underlying Principles of Exploitation**

The University recognises that staff and students have specialist knowledge, while the University is capable of providing expertise in the legal, commercial and other areas required for the exploitation of intellectual property. The University and its Schools also provide the infrastructure, environment and other support to encourage and enable ideas to be developed to a point where they may be exploited. The University seeks to build on this complementary relationship and to take a collaborative approach to exploitation.

In considering routes to exploitation of IP, the University will take into account commitments to assign, share or license IP to third parties outside the organisation. This is particularly relevant when contracts for a research or consultancy project contain provisions relating to IP. It is essential, therefore, that the Centre for Research and Knowledge Transfer (CRKT) is consulted at the earliest possible stage of any project regarding the IP implications of any contract. IP issues must be considered as an essential part of planning for any externally funded activity.

Bournemouth University will use BU Innovations Ltd (BUI), a wholly-owned subsidiary company, to manage and exploit its IP portfolio.

1. **Staff and Student IP**

For staff ownership of IP please refer to the Bournemouth University Intellectual Property Policy and staff contract.

As detailed in the Intellectual Property policy, the University does not automatically assume ownership of IP generated by students in the course of their studies or research. However, students may be required to sign an agreement assigning first ownership of such rights to the University or to one of its subsidiary companies as a condition of participation on a specific project. Examples of situations where the University might request or require a student to assign their IP to the University are as follows:

* Research is being conducted under a contract with an external sponsor which governs ownership of IP
* The project is part of an ongoing research effort where the University considers there is a need to protect the integrity of IP ownership

In these cases, the University reserves the right to exploit such student-assigned IP, and to share benefits deriving from any exploitation as if such student(s) were employees.

* Students or graduates who wish to benefit from University commercialisation programmes will be required to negotiate a contract on a case-by-case basis for the University to provide support in exchange for an agreed level of return.

In exceptional cases, where there has been any input by University staff, or use of University resources, in the creation of IP by students, beyond that level of support which is usual as part of their normal academic studies, the University may claim a fair and reasonable interest in the intellectual property, and any revenue arising from any exploitation. The input must be sufficiently significant to justify co-inventorship or co-authorship of the relevant IP.

1. **Confidential Information belonging to Third Parties**

Where staff and/or students have access to confidential information belonging to the sponsor of a research project or the University, the head of the project, supervisor or principal investigator shall ensure that all staff or students engaged on the project are provided with an unpriced copy of the contract and requested to sign confidentiality agreements where the relevant contract so requires. Staff and students shall familiarise themselves with the terms of such agreements and adhere strictly to them. In particular, the head of the project, supervisor or principal investigator shall be responsible for ensuring that the handling and storing of confidential information is in accordance with the terms of the contract. Staff and students shall not disclose to any third party any confidential information, for example through giving a lecture, presenting or publishing a paper or holding discussions, unless authorised in writing by their Head of School/Professional Service or BUI as appropriate. Any student asked to sign a confidentiality agreement must be advised that they are responsible for seeking their own independent legal advice, as appropriate. Students should note that they can approach the Student Union student advice centre for information on how to proceed.

1. **Evaluation and development of Opportunities**

Any member of staff or student is encouraged to share and discuss potential commercial opportunities with appropriate staff in CRKT. Before the University can consider any further significant investment, an Intellectual Property Disclosure Form (available from I:\CRKT\Public\Intellectual Property Policies & Procedures) must be completed and submitted to CRKT, signed by all the originators of the IP. This form must identify all the details of ownership of and contribution, or expected contribution, to the development of the IP, whether from members of staff, students or outside funders of projects.

IP Disclosure Forms will be considered by staff in CRKT who will meet regularly to evaluate each opportunity and decide on an appropriate course of action.

1. **Managing the Commercialisation Process**

The exploitation of intellectual property will be managed on a day to day basis by staff in CRKT with appropriate responsibilities, in consultation with the creators of the IP and their Head of School or Professional Service and taking professional advice as appropriate. Commercial decisions will be taken by the Board of Directors of BUI, and CRKT will implement those decisions. The procedure to be followed is outlined in the BUI Procedures for the Evaluation, Protection and Exploitation of Intellectual Property.

1. **Management of the IP portfolio**

The responsibility for recording, monitoring and maintaining the University IP portfolio rests with CRKT on behalf of BUI. This entails renewal of patents, auditing of licensees and the monitoring of income and income distribution. BUI is responsible for monitoring the development of any companies in which the University has equity. CRKT staff will implement decisions taken by BUI.

1. **Decision not to exploit**

In cases where, after full disclosure of all relevant information, the University or BUI decides not to exploit a possibility immediately, the University and BUI will normally waive any interest in the idea or invention. However, the University and BUI reserve the right to take other action or delay exploitation where it is in their interests to do so. Following a decision not to exploit, individuals may then seek consent from the University and BUI to exploit the IP themselves, at their own expense, consistent with their contract or terms and conditions of employment. Consent may not be unreasonably withheld.

1. **Licensing**

In some cases, licensing will be the most appropriate route for exploitation of intellectual property rights developed by the University. Where licensing has been approved by the board of BUI as the preferred exploitation route, CRKT staff will normally negotiate and draft the agreement, in consultation with the originator(s) of the IP and the Chair of BUI and seeking professional advice as appropriate. The BUI board will be responsible for the approval of license agreements.

1. **Company Formation**

Exceptionally, intellectual property arising from University activity will be suitable for the creation of a company specifically to exploit that IP. When company formation is approved by BUI, the inventors will, in consultation with CRKT staff, draw up a business plan and seek to arrange finance for the venture. BUI will take appropriate professional advice and may then arrange for the incorporation of a company. The plans must be approved by BUI before implementation. It will usually be appropriate for the originator(s) to be involved in the newly formed company.

1. **Profit sharing from exploitation (other than from spin-out companies or consultancy)**

Where a surplus is made (other than from spin-out companies or consultancy), the University, through BUI will normally share the benefits with the originator(s) of the IP. These benefits will include, for example, income from licensing agreements, assignment or sale of IPR and royalty streams. It may be that, as part of the commercialisation process, a separate agreement has been concluded with the originators of the IP. If no such agreement has been made, then the first tranche of any income will be used by BUI to recover the costs of exploitation (such as patent fees, legal fees, minor development work, audit of licensees). Any surplus beyond that will normally be shared according to the following formula:

Originator(s) 1/3

School(s) or Professional Service(s) in which the IP was developed 1/3

BUI 1/3

Income and Expenditure streams rarely coincide, and BUI may retain funds to cover known or expected future expenditure on the project.

1. **Staff Participation in Companies**

In cases where a company is to be set up to exploit BUI-owned IP the benefits will be shared with the originator(s) of the IP. Normally, unless a contract is negotiated to the contrary, a total of one third of the benefits to be gained by BUI from the company will be given to the originator(s), whether they receive those benefits through involvement with the company or directly from BUI.

1. **Student Participation in Companies**

On occasion, a company opportunity may arise that differs from the above model, usually because the founders are students or recent graduates. If the founders wish to receive any advice, support or investment from the University, then the commercial opportunity must be considered by CRKT or BUI exactly as any other would be, but the profit-sharing formula will not apply.

1. **Professional Advice**

Members of staff or students participating in spinout companies, or contracting with BUI over the exploitation of their IP, are responsible for taking all necessary advice (whether legal, accounting or otherwise) as may be appropriate in the circumstances. The University and BUI shall not be liable in any way to the participants where any loss is suffered as a consequence of a failure to take any such advice.

1. **Confidentiality**

Staff and students are reminded that it may prove impossible to secure full protection for the IP in an innovation if it has been disclosed inappropriately. Therefore it is in all our interests that confidentiality is maintained. All staff and students are expected, and required, to maintain confidentiality in respect of any project(s) with which they are associated.

CRKT January 2006