

Intellectual Property Policy

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Intellectual Property Policy

ELT manager	Depute Principal
Responsible officer	Fiona Grant, Assistant Principal
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UHI INTELLECTUAL PROPERTY POLICY

EUREKA MOMENTS AND VEILED SECRETS

DOs and DON'Ts for busy scientists and academics ...

DISCOVERIES

If you stumble on a new idea, invention, process or programme:

- 1 DO keep quiet about it
- 2 DO immediately tell your designated IP manager/Head of Department/senior management so that they may consider IP issues
- 3 DO keep your lab notes and other relevant documents accurate, up to date and comprehensive
- 4 DO mark relevant documents confidential and consider keeping them in a secure area
- 5 DO NOT talk about your discovery to anyone including at conferences, seminars, meetings etc.
- 6 DO NOT PUBLISH &
- 7 DO remember that Institutional IP Policy recognises the IP contribution of staff

CO-OPERATING, COLLABORATING, CONSORTING, CONTRACTING ETC.

If you are about to start dealings with an outside organisation that may involve confidential information, or existing or future IP:

- 8 Arrange a meeting with your designated IP Manager to discuss any potential for intellectual property (IP) 'leakage, and potential approaches to IP (see Annex 1 for details of designated posts and functions that are to be contacted/utilised as part of the IP development process)
- 9 It is likely that a NDA (Non-Disclosure Agreement) aka a CA (Confidentiality Agreement) will be recommended to protect the IP and associated confidential information
- 10 Likewise, be receptive to corresponding suggestions from the outside organisations
- 11 Have the wording prepared or checked by for example, Legal Secretary, Grants and Contracts Office or an appropriate senior management
- 12 These issues may already be part of a more comprehensive document (draft collaboration Agreement etc.). If so, refer to the draft. Sometimes, if the main agreement takes time to negotiate etc., a quick NDA at the outset may be appropriate
- 13 Be ready to:
 - i. describe the Background (existing) IP, and
 - ii. state when relevant discussions started or will startto Legal Secretary or Grants and Contracts
- 14 Where appropriate mark documents etc. 'CONFIDENTIAL'
- 15 Remind colleagues to do likewise

1. INTRODUCTION

UHI and its Academic Partners are committed to a research strategy that includes the delivery of real world solutions to end users. In so doing, recognise that researchers and academics are often best placed to develop their outputs into new products or applications; but their intellectual work is built upon a supportive infrastructure of facilities and Professional Services, without which innovation could not thrive.

This document outlines the policies and procedures for the ownership, protection, distribution and commercial development of the 'intellectual property' of the employees of UHI and its Academic Partners.

Please note that the term Intellectual Property (IP) includes, but is not limited to, all IP, designs, information, specifications, formulae, improvements, discoveries, know-how, data, processes, methods, techniques and the intellectual property rights therein, including but not limited to, patents, copyrights, database rights, design rights (registered and unregistered), trademarks, trade names and service marks and the right to apply for any of the above as recognised in any country in the world.

This document is not intended to be an exhaustive statement of policy applicable to every situation. Instead, it is intended as a guide to general policy in relation to the handling of project IP. If any dispute in interpretation cannot be resolved by the parties directly involved, then it will be escalated to the Directorate appointed by the relevant UHI Academic Partner for decision. If the dispute is between UHI Academic Partners then the UHI Partnership Council will undertake the final decision.

Teaching materials have been excluded from this framework, as they are covered by the policies of respective registering institutions.

2. SCOPE AND PURPOSE

UHI and its Academic Partner staff produce intellectual property (IP) in the course of their research and scholarship. Some of this IP makes a valuable contribution to the body of knowledge relating to a wide range of disciplines, but has little commercial value.

Other IP has significant potential for commercial exploitation, which can be of financial benefit to UHI and its Academic Partners and the employee concerned.

The purpose of this policy document is to provide guidance and sources of advice in order to encourage the early identification of such IP and successful exploitation for the mutual benefit of all parties.

3. DEFINITIONS

Exploitation	Action taken to ensure that appropriate Inventions and IP reach the market place and the optimal financial return is enjoyed by UHI and its Academic Partners and its employees. Following establishment of the appropriate means of protection (e.g. patenting), exploitation will typically involve licensing, company formation or other technology transfer measure.
Intellectual Property (IP)	Inventions, computer software, data, databases, technical know-how and trade secrets. Large banks of new data collected in the course of research and scholarship are also covered here only if they may reasonably be considered to have potential for exploitation.
Invention	A novel or useful idea relating to processes, machines, manufacturing or compositions of matter. It would include such things as new or improved devices, systems, computer software, circuits, chemical compounds, biomedical materials, mixtures etc. In lay terms, it is probable that an invention has been made when something new or useful has been conceived or developed, or when unusual, unexpected or non-obvious results have been obtained and can be exploited. Inventions will most commonly be developed through science, engineering and research, but can arise from any area of academic research or scholarship.
Inventor	An employee who makes an Invention or creates IP
UHI & its Academic Partners:	This term includes all employees of UHI Executive Office and EO researchers depts., including Centres and Institutes where UHI is the employer (e.g., the Dept. of Diabetes and Cardiovascular Science; The Centre for History; the Economic Intelligence Unit; etc.) “Academic Partner” covers all staff employed by any UHI affiliated institution (including: SAMS, Inverness College, Moray College, West Highland College, Perth College, Sol Mor Ostaig, Argyll College, Lews Castle College, North Highland College, Orkney College, Shetland College, NAFCMC and HTC?)

4. PRINCIPLES

This policy provides a framework for the creation, use and exploitation of intellectual property at UHI and its Academic Partners and applies to all members of the organisation. It defines the rights and responsibilities of UHI and its Academic Partners, its staff and students in relation to intellectual property.

5. INTELLECTUAL PROPERTY COORDINATION

A “Designated IP Manager”, will be identified in each employer institution (see Annex 1 systems and processes). The designated IP Manager will receive information about IP from the ‘originator(s)’ and work closely with them and project teams that wish to protect

IP and investigate commercial opportunities. The designated IP Manager will be the first point of contact for any questions of guidance related to ownership, protection, distribution and commercialisation of IP. It is important to establish this dialogue early so expectations are clear and because various actions can have a detrimental effect on the ability to have certain kinds of future impact for example any publication could risk losing protection of IP, patent protection may not be possible after publishing a paper or making a presentation containing information about an 'IP'.

6. OWNERSHIP POLICY STATEMENT

The general policy is that IP created through your normal work at your employer is owned by your employer. That is the general law as between employer and employee. For most research projects, the IP stays with the employer ,but the employer may, as part of a programme of contracted or collaborative research enter into a separate agreement that provides otherwise.

There are two main alternatives:

A. Where a UHI Academic Partner develops IP jointly with external collaborators, then ownership should be agreed to reflect the background IP and contribution of each partner to any new (foreground) IP.

B. Where a UHI/Academic Partner (or more likely its trading company such as UHIRE. (UHI Research and Enterprise Ltd)), develops IP jointly with external commercial companies, negotiations may be needed about ownership and exploitation of foreground IP.

In either event, the ownership may need to be decided on a case-by-case basis in a negotiation process led by the designated IP manager, Company Secretary or equivalent as assigned by each employer institution, and formalised in an IP Ownership Agreement (see Annex 2).or Consortium Agreement. This must be signed by the Company Secretary (or equivalent) and an authorised signatory for the external collaborators concerned

An IP Ownership Agreement may include the designation of a lead person/post to manage the development of joint IP. It should also include details of how any development costs will be shared, as well as any specific revenue sharing arrangements between the parties involved.

As the owner of IP created through the work, the employer retains all patent and disposition rights including the right to decide how or whether the IP is exploited/commercialised. For IP jointly developed with external collaborators, the IP Ownership/Consortium Agreement will govern how or whether the IP is exploited/commercialised.

This policy does not apply if the creator can demonstrate that the IP already existed e.g. in a protected agreement, or was created:

- other than in the ordinary course of their work; and
- without conflict of interest; and
- without breaching any duty to their employer; and
- without the use of confidential or proprietary information of their employer; and
- without significant use of employer-administered resources and/or facilities.

UHI and its Academic Partner's employees accept the principles of ownership of technology as stated under this document. In furthering such undertaking, all regular as

well as visiting researchers, staff, students and others may be asked to sign IP and proprietary information agreements prior to participating in research at UHI or its Academic Partners.

7. STUDENTS

The general guideline is that undergraduates and taught postgraduates own the IP that they generate, unless covered by a specific IP Agreement; as would be appropriate if external sponsorship had been provided for a specific piece of work.

Where IP is generated by postgraduate research students (PGRs) who are formally employed, the employer owns any IP generated (assuming that IP is related to their employed role). This must be explained to the student and formalised in a *Declaration of Assignment of Intellectual Property (DoAoIP)* by post-graduate students. An example of this declaration is laid out in Annex 3. In most cases, this is contained in the employment contract between UHI or its Academic Partner and the student.

In cases where a postgraduate student is on a stipend, the ownership of IP is dictated by where they are registered (e.g. for UHI ownership lies with the employer of the lead supervisor). Should that registration be at a different Institution (e.g. University of Edinburgh), then the student may need to sign a DoAoIP, reallocating the IP ownership to the relevant UHI or Academic Partner Institution. This would be decided on a case-by-case basis depending on the relative contribution of each partner and any conditions applied by the funder.

8. CAPTURING NEW INTELLECTUAL PROPERTY

When new IP arises, the originator(s) must contact the designated IP Manager who will guide them through completion of an IP Disclosure Form (IPDF; Annex 4). This is internal to UHI and its Academic Partners and formally initiates action to (i) clarify the ownership, and then (ii) consider appropriate protection and exploitation of the IP.

The terms of agreement entered into by UHI or its Academic Partner, in particular with collaborators may create obligations with respect to the reporting of the new IP.

Therefore, the originator(s) should report promptly all IP, in the broadest definition of the term, by submitting an IPDF.

An IP Disclosure Form must include:

- full detail and description of the IP identified;
- sponsorship information; details of how the research has been funded, collaborators and non-UHI or its Academic Partners resources used;
- disclosures; any/what disclosures have been made;
- details on joint originators, including external collaborators; and
- commercial interests and conflicts of interest.

Once submitted changes should only be made in the event of incorrect information and must be agreed by all listed originators. If new IP arises that is similar to previously disclosed IP, a new IPDF should be submitted.

9. PROTECTING INTELLECTUAL PROPERTY

The rights governing ownership and use of many types of IP are known as 'intellectual property rights', which are derived primarily from legislation granting patent, copyright, design and trademark protection. Mechanisms also exist for protecting confidential

information, trade secrets, know-how and other intellectual or tangible research property (e.g. physical prototypes).

9.1 Patents

A patent protects new IP and covers how things work, what they do, how they do it, what they are made of and how they are made. It gives the owner the right to prevent others from making, using, importing or selling the IP without permission within a specific territory for a designated period. Typically, the IP is a technical innovation of some kind with a commercial application.

To the extent that it considers appropriate, the relevant UHI institution/ Academic Partner may seek patent protection on IP where they may intend to pursue or facilitate commercial licensing or to comply with the terms of various agreements. This may include a 'literature search of prior art' being carried out by an appropriate specialist, with input from one or more of the originators.

If the relevant UHI/AP institution decides not to patent a particular piece of IP they may consider assigning ownership to the originator(s).

While patents are granted by many different countries, procedures for filing, regulations for patentability and term of patent grant vary from country to country. In the UK, a patent affords its owner exclusivity but it must be renewed every year after the 5th year for up to 20 years protection. To be patentable the IP must be new, useful and non-obvious.

Detailed up to date information on the costs and procedures required to file and maintain a patent can be found at the Intellectual Property Office web site:

<http://www.ipo.gov.uk/types/patent/p-applying/p-cost.htm>.

Good record keeping is essential for preserving intellectual property rights and in determining the date on which an invention is made, since the United States, in particular, awards patents based on first to invent rather than first to file, as in most countries. The US is a substantial market for many inventions and research notebooks, for example, may be required to be presented as legal evidence. It is therefore recommended that:

- (i) All electronic record keeping should conform to sector norms and advice as well as the UHI retention policy and data management guide.
- (ii) Permanent bindings are used on notebooks – loose-leaf books should be avoided to prevent possible removal or substitution of pages.
- (iii) (ii) Pages should be numbered and any additional drawings, charts or computer printouts should be permanently attached to the notebook, clearly identified and have reference made to them in the notebook.
- (iv) The notebook should be reviewed regularly by someone who understands the technology involved and each page should ideally be signed by a witness. The choice of witness is important - it should preferably not be someone who may be nominated as a co-inventor. The witness should also sign and date any graph, charts or print outs, which are inserted into the notebook ensuring the signature is on both the inserted document and the notebook page.

Well-documented notebooks should demonstrate the progress of research and are an important record in the event of a dispute. They should be stored safely. The employing institution will retain these documents when the individual leaves.

Storage of all data should follow security and fire protection good practice guides.

If you have any queries regarding this activity consult your designated IP Manager.

You should disclose any possible invention to the designated IP Manager as early as possible. This will facilitate a patent application, if deemed appropriate.

In most instances, it will be necessary to engage the services of a patent lawyer to help file the patent application. This may lead to expense. There will also costs associated with keeping a patent in force.

Applying for a patent in the United Kingdom (UK) does not protect IP elsewhere. UHI and its Academic Partners can protect IP in many international countries using the [Patent Cooperation Treaty \(PCT\)](#) through the World Intellectual Property Organisation (WIPO) through the European Patent Office (EPO) or WIPO (<http://www.ipo.gov.uk/types/patent/p-manage/p-abroad/p-worldwide.htm>).

If required, you can also apply for a patent in individual countries by contacting the national patent office of each country.

9.2 Secrecy

The release of information regarding a specific discovery may preclude the ability to protect the IP in a subsequent patent application. IP which is already in the public domain – e.g. if it has been discussed in public (even with a small group); has been presented at a seminar or conference; or published in an academic journal – may no longer be patentable. Therefore, care should be taken when discussing any IP prior to patent filing.

Accordingly, any dissemination of new ‘inventions’ or ‘process’ should be discussed with the Company Secretary/designated IP manager before any sharing of information.

9.3 Copyright

Copyright subsists in original work of authorship, whether or not published, which has been recorded in writing or otherwise (including electronic form). Copyright laws protect literary works (including academic papers), films, sound recordings and original databases among other things. Computer programs are protected as literary works.

A copyright owner has the exclusive right (among other things) to reproduce the work, prepare derivative works, distribute by sale or otherwise, and display or perform the work publicly. Copyright protection of a work generally extends for either 70 years after the death of the originator or 70 years after the date on which the work is first lawfully made available to the public. Precise duration of protection depends on the nature of the work.

Copyright protection is important in order for UHI and its Academic Partners to license copyrightable material.

Copyright law does not always require a ‘notice of copyright’ to be affixed to the material however; such a notice is strongly advised. The following notice should be applied on Academic Partner owned works to protect the copyright:

“Copyright © *insert Academic Partner name* [Year(s)] - All Rights Reserved”

The date in the notice should be the year or years in which the work is created. No notice other than the foregoing is to be used for UHI or its Academic Partner owned works.

In the UK, copyright is not registered and it may be important to be able to prove the date of first production of the work. This can be achieved by lodging the work and recording the date of conception with a third party (e.g., a solicitor, bank manager or patent agent).

For added copyright protection in jurisdictions that provide for registration (e.g., USA) certain works, as deemed appropriate, may be registered with the appropriate regulatory body (e.g., the United States Copyright Office).

Despite the statutory provision whereby the copyright in any work produced by an employee in the course of employment belongs to the employer, UHI or its Academic Partner may grant the author(s) a 'free licence to the copyright' with regard to work published in a recognised academic, scientific, technical, professional or management journal or book.

Higher Education Institutes generally do not grant such a licence to materials created by employees during the course of and related to their employment, comprising:

- Course or training materials;
- Software programs;
- Any design specification or other work which may be necessary to protect rights in commercially exploitable intellectual property

These guidelines do not supersede existing agreements with respect to course and teaching materials. **Teaching materials have been excluded from this framework as they are covered by other universities' policies.**

9.4 Design Rights

Protection for designs exists for the appearance of a product or part of it. It may arise from the features of a product, in particular, the lines, colour, shape, texture or materials of the products itself or its ornamentation. A design is not protected to the extent it is solely functional.

A design can be registered to provide protection in various countries, whether in the UK alone, throughout the EU or otherwise and protection can be obtained for a period of 5 years, renewable on payment of fees for further periods of 5 years up to a maximum of 25 years. Registered design is intended to protect the appearance of an object where aesthetic appeal of the object is of prime importance.

There is an unregistered design right, which applies throughout the European Union. Like copyright, it is not necessary to register this right but in order for the right to exist, it must have been 'recorded': *i.e.* a drawing must have been done or an article made. This right exists for 15 years from conception of the design and for not more than 10 years from the date of first sale. For the first five years, you can stop anyone from copying the design. For the rest of the time the design is subject to a 'license of right'. This means that anyone is entitled to a licence to make and sell products copying the design.

UHI or its Academic Partners may seek to obtain registered design rights, in particular, for those designs that will be used to commercially exploit products. As with patents, a design must be new. There must be no other design identical to it. In addition, the design must have individual character: *i.e.* it must be different in the eyes of an 'informal user' from all other designs available before application to register the design.

9.5 Trademarks

A trademark is a word, name, symbol or device (or any combination of these) adopted by an organisation to identify its goods and services and distinguish them from the goods and services of others. Trademark protection may be obtained by registration of the trademark in each of the countries where the goods/services are to be sold. Unregistered

trademarks may sometimes be protected by law, usually where there has been long-standing and substantial use.

A trademark may be used to protect those names and symbols associated with certain UHI or its Academic Partner's activities, products or events. Prior to registration for trademark protection, the designation "TM" after a trademark will give notice of a claim of ownership. The term 'registered' or some other description indicating that the mark is registered must not be used unless the mark has actually been registered. The designation '®' is reserved for such use.

The use of trademarks to protect UHI/AP owned properties, or to designate UHI/AP as the origin of a product, event, activity, service or the like, may be instituted only through the Company Secretary or designated IP Manager.

9.6 Confidential Information and Design Rights

In the process of working, researchers and academics may generate new information and know-how relating to work in progress that must be kept confidential in order to maintain competitive advantage. Since such information and know-how will be captured in written or otherwise reproducible form from time to time, a mechanism is required to ensure it is not misused or released publicly.

Such proprietary information and know-how, whether captured in an archival medium or not, are typically referred to as "trade secrets". Unlike copyright, there is no trade secret statute. Protection of trade secrets derives from various legal concepts, including breach of contractual obligations not to misuse or disclose information, breach of trust and breach of confidence. UHI and its Academic Partner's employment contracts and other relevant project agreements include such clauses.

The most important aspect of this type of protection is secrecy. The protection will remain legally valid only as long as the trade secret is maintained as such. In order to maintain protection while a trade secret is being used, it is necessary to bind staff having access to any UHI/AP-derived secret, through a contractual agreement not to disclose it. Such agreements are commonly called confidentiality or non-disclosure agreements (NDAs). These agreements can be accessed through the Company Secretary/designated IP Manager.

In addition, some of external partners may be subject to freedom of information queries, which would require the release of certain company information. However, information may not have to be released if it is commercially sensitive or would otherwise damage the competitiveness of UHI Academic Partners.

9.7 Non-Commercial Dissemination

Intellectual Property owned by UHI and its Academic Partners may be distributed for research and other non-commercial purposes to other educational, scientific and research institutions, etc. particularly if the research underpinning the IP is publicly funded.

Such distribution is usually subject to the condition that any commercial development or commercial use or further transfer of the IP in question will not be pursued with regard to IP created and owned by UHI and its Academic Partners. This condition should be specifically included in a formal agreement or must be contained in a 'Non-Commercial Dissemination Agreement' (NCDA), signed by the recipient of the IP.

In addition, UHI Academic Partners may wish to control subsequent use, for example, by requiring recipients to follow a specific research protocol.

Distribution may be possible in advance of securing protections (such as patents or design rights) by using some form of contractual agreement.

IP may have potential commercial value as well as scientific value. Advice should be sought from the Company Secretary/designated IP Manager about how to make IP available for scientific use in a manner that does not diminish its value or inhibit its commercial development.

10. Commercial Development

Where appropriate, UHI and its Academic Partners will pursue the commercial exploitation of IP. The decision as to what is to be commercially exploited will be made by the UHI or Academic Partner Directorate. If there are external collaborators with ownership rights, they will be involved in decision-making.

Any decision to invest in the commercial exploitation of IP opportunities that emerge will be taken by the designated UHI/AP IP commercialisation Committee, as appropriate. Where there is shared ownership of IP, either between UHI AP's and/or with external collaborators, then a group will be set up to develop and recommend a commercial exploitation plan. This group will be drawn from the IP-owning institutions, with a nominated chair.

Commercial exploitation may include without limitation:

- researching the market for the IP;
- commercialisation through a trading subsidiary;
- entering into discussions with potential licensees;
- negotiating appropriate licenses or other agreements;
- considering spin-outs or company formation
 - UHI/AP may accept an equity position in lieu of cash royalties and fees;
- identifying third parties to commercialise it, if appropriate;
- monitoring progress;
- distributing revenue to originators in accordance with UHI/AP revenue sharing policy;
- selling the IP or the rights associated with it.

The main contact for all of the activities mentioned above is the designated IP Manager, who will involve the originators as closely as possible in any commercial activities as this is a proven approach to maximise the chances of success.

In some instances, distribution and commercialisation of IP may be accomplished by the transfer or licensing of intellectual property rights such as patent or copyright. In other instances distribution and commercialisation of IP may be aided by or depend upon access to the physical or tangible embodiment of the IP as is the case with computer software, physical prototypes or products.

11. Receipt and Distribution of Revenues

Revenue as the result of commercialisation of UHI/AP IP (e.g. royalties, license fees, sale proceeds, realised equity considerations, etc.) will be calculated on a case by case basis and distributed to all relevant collaborators at the close of the relevant financial year as follows:

1. Deduct costs that are directly attributable to a specific case (e.g. cost of filing/maintaining a patent application, prosecution and maintenance of such, materials and manufacturing costs, specific staff costs, marketing costs and so on). Only staff specifically hired to carry out the revenue generating activity are included in these deductions.
2. Distribute any amounts in line with the IP Ownership Agreement in place, as well as any supplementary agreements in place with other collaborators.
3. Of the UHI/AP share, the rewards from commercialisation are to be split between the named originator(s), as stated on the IP Disclosure Form, and the employer of the originator(s). For IP that generates only small gross commercial incomes (or for early revenues from a large project), the originator(s) receive a greater proportion:

Net Income Band (cumulative)	Originator(s)	Employer Institution
£0 - £10,000	80%	20%
£10,001 - £50,000	70%	30%
£50,001 - £1,000,000	50%	50%
£1,000,001+	33.33%	66.67%

Revenue-sharing distributions may be considered taxable income and it is the responsibility of the recipient to properly report and pay tax on this income to any relevant authorities.

It may be necessary to distribute revenues to former staff several years after they have departed. It is the responsibility of each member of staff to keep their contacts details up to date with UHI/AP after departing. If the former staff member cannot be contacted using the details on file six months following the date of distribution, their revenue share will be retained by the employer institution, to be invested in future activities.