What is Intellectual Property?

Intellectual Property (IP) is the creative output of intellectual endeavour; an intangible asset which can be given a financial value and as such can be bought, sold, mortgaged and licensed.

Types of IP

- **Patents** are used to protect technical inventions. It is a contract with the State where, in return for disclosing an invention, the owner of the patent is given a monopoly right to use that invention for 20 years.
- **Know how** is your specialist, expert knowledge of a particular field. It can be licensed or more commonly applied via consultancy services.
- **Copyright** is used to protect literary and artistic work, as well as computer software. Please note, software that has a technical effect, such as that deployed in a medical device for example, can also be patented.
- **Trademarks** are used for building and protecting brand reputation by preventing others from using the name.
- **Design Rights** are used to protect the way an object looks and feels. Designs can be protected by registered or unregistered design rights. A registered design is a contract with the State where in return for disclosing the new design, the registered owner is given a monopoly right to use the design for 25 years.
- **Database Rights** are used when there has been a substantial investment in obtaining, verifying and presenting data in an innovative manner.

IP Policy Principles

The IP Policy has been drafted to ensure:

1) Consistency with UK law.
2) The University of Leicester benefits from its investment in the research by owning the outcomes.
3) The University is able to meet its contractual IP obligations to third parties, including funding organisations.
4) The University rewards individuals who create IP which financially benefits the University.
Why Protecting IP is Important

This document outlines the key aspects of the University of Leicester’s Intellectual Property (IP) Policy. This document is for general IP information only. Please refer to the full IP Policy for the University’s complete position on this matters (www.le.ac.uk/red).

The IP Policy is designed to meet the increasing demands on Higher Education Institutions (HEIs) to apply the results of their work to wider economic and social benefit. This is usually achieved by first protecting the IP, so that it can then be developed into a specific practical use.

The term “Intellectual Property” means patents, rights to inventions, copyright and related rights, moral rights, trade marks, trade names, domain names, rights to goodwill, rights in designs, rights in computer software, database rights and rights in confidential information.

HEIs have increasing obligations to commercialise their intellectual capital. In most circumstances, commercialisation usually takes the form of licensing or creation of spin-out companies. The IP Policy is designed to ensure that the University has a consistent and modern approach to such matters. It is also essential to enable the University to comply with its contractual obligations regarding the management of IP to public and private bodies that fund our research.

For these reasons, HEIs in the UK have encouraged staff and students to disclose inventions of potential commercial value and/or wider benefit to society. In exchange, individuals and their departments are financially rewarded should the inventions lead to revenue generation for the University.

Some form of IP is generated in most types of research. Note that funders are increasingly emphasising the importance of identifying and appropriately protecting IP for economic and social impact. It is particularly important to be aware of IP when working in collaboration with other organisations to ensure ownership is correctly apportioned to the various parties.
Ownership of IP

Employees

UK law provides that IP created by employees, in the course of their duties, is owned by the employer. Therefore, subject to the exceptions outlined later under ‘Teaching Materials’, all IP created by staff is owned by the University. In any discussions with third parties concerning IP, all employees must ensure that an appropriate Confidentiality Agreement has been put in place. Note that Confidentiality Agreements can only be signed by an authorised member of the Research and Enterprise Division (RED). In the event that employees are requested to sign third party Confidentiality Agreements, these must be referred to RED for approval and signing.

Honorary Contracts

Individuals who have an honorary contract or association with the University, but are not employees or students, (for example, visiting academics, individuals with honorary contracts and emeritus professors) are required to assign any IP they generate in the course of their honorary activities to the University. In return for this assignment, such individuals will be rewarded with a revenue scheme on the same terms as University employees. Prior to the conferment of honorary status the individual must sign an IP assignment agreeing to these terms.

Students

For the purposes of the IP Policy, part-time students who are also employed, such as postgraduate research assistants, are considered to be staff. Full-time students who also work part-time for the University are also employees for the purposes of this Policy.

It is acknowledged that full-time students who are not employees may generate IP from their programme of study, particularly at postgraduate level. Furthermore, the University may have legal obligations to third parties regarding IP arising from such programmes of study, or may wish to commercialise IP generated by a student which is related to a larger IP portfolio within the University. In order to allow the University to fulfil such obligations or otherwise exploit IP, a student shall, if requested, sign a studentship agreement or other document covering ownership and use of IP, which may include an assignment of IP to the University or third party. In return for assignments, students will be entitled to participate in the University revenue-sharing scheme for IP commercialisation on the same basis as staff.

Please note that while IP may be assigned to the University, ownership in the copyright of the thesis remains with the student.
Identification and Capture of IP

All employees and other members of the University are expected to apply reasonable judgement as to whether any potentially useful IP has been created by them or their team, and should, therefore, be disclosed to RED.

When involved in work that may lead to the creation of commercially valuable IP, please keep appropriate records, including:

1) The dates when the originating work was carried out;
2) Information on who did the work;
3) The source material(s), if any, from which the work was created.

Disclosure of IP should be submitted to RED through the completion of a Technology Disclosure Form (www.le.ac.uk/red) to the IP Manager, their nominated officer or the appropriate College Technology Commercialisation Manager. Submission of the Disclosure Form should be done as early as possible and, in the case of any invention which might have the potential to be patented, at least four weeks prior to any planned or proposed disclosure to any third party. This will enable appropriate steps to be taken to assess and protect the invention, since the opportunity to be granted a patent will be lost by any public disclosure.

Once the Technology Disclosure Form has been submitted, the Commercialisation Team will evaluate the business potential of the IP and advise on the most appropriate way forward. During this process the individual submitting the IP must keep the details of the IP confidential, until it has been suitably protected or it has been agreed with a member of the Commercialisation Team that public disclosure is the most appropriate route for knowledge transfer.
On any new copyright materials, design rights or trade marks, please state appropriate notices, taking account of the following guidelines and seeking guidance from the Commercialisation Team if in any doubt:

1) Any material in which copyright subsists should include (on each page if the document is loose-leaf) a copyright claim in an appropriate form. At the very least, displayed clearly on all key documents should be the symbol ©, the year of creation of the materials and the identity of the owner of the copyright, for example, “© The University of Leicester 2016.”

2) Any material, which is confidential or commercially sensitive, should be marked as such. All recipients of confidential information shall keep confidential all such information and not disclose to any third parties. In the event of collaboration with a third party a separate confidentiality agreement will be put into place by a member of the Commercialisation Team to prevent the disclosure of confidential information. Such third parties include other staff within the University.

3) Trade marks should only be used in the correct format and where registered should carry the ® symbol. All references to unregistered trade marks, including, applications for registered trade marks prior to grant, should include the symbol ™.

4) All material in which an unregistered design right is claimed should be marked “Design Right The University of Leicester [year of first marketing]”. For registered design rights, products should be marked with a reference to the registered design number or application number.
Protection and Commercialisation of IP

The Commercialisation Team will consider how to take the relevant IP forward, weighing up the technical merit and commercial value along with the resources available to the University for protecting and exploiting the relevant IP, and will involve the inventor in these considerations.

If the University does not wish to protect or exploit the IP, the inventor can request the assignment of the IP in return for the University being entitled to receive an appropriate share (to be agreed prior to such assignment) of any income obtained by the inventor through any exploitation of the IP. It is anticipated that this will be a minimum of 15% royalty on gross income earned by the inventor.

The University recognises that the commercialisation of IP is not always the most appropriate route forward. If it is agreed that knowledge transfer is best facilitated by disclosing the IP, the Commercialisation Team may authorise the inventor to publish the IP. Prior to authorisation of public disclosure, the Commercialisation Team must be satisfied that there are no obligations to third parties to keep such IP confidential.

Any IP with the potential to be commercially exploited must not be disclosed outside the immediate inventors, except to members of the Research and Enterprise Division. Disclosure includes presentations, papers or posters at conferences, abstracts, chapters in books, email and any other written or verbal communication. In the case of patents, it is not possible to obtain protection if a prior disclosure has occurred. If there is any uncertainty in this regard, please seek advice from the Commercialisation Team.

If research is conducted in partnership with another organisation, formal arrangements must be put in place regarding the ownership of any arising IP and revenue sharing, should the IP be commercialised. It is the responsibility of the Commercialisation Team or RED as appropriate to arrange such agreements with collaborating institutions.

Protecting IP in the form of a patent filing is an expensive process and not one to be taken lightly. Patenting can cost tens of thousands of pounds and the University will require commercial justification before committing to a filing.
Teaching Materials

As a general principle, the University will own the IP in teaching materials created by members of the University and used, or intended for, the delivery of courses. Examples of such materials include course books, course manuals, case studies, lecture slides, multimedia works (including podcasts and webcasts), tutorial papers, model answers, examination materials and software. However, this does not include any personal notes or teaching aids created solely for the purpose of lectures, tutorials or other teaching activities; these will remain the property of the member of staff creating them.

Copyright

Copyright is a form of IP protection which provides legal protection for an author or creator which restricts the copying of an original work they generated. All members of the University are required to abide by the United Kingdom copyright regulations.

Guidance on the use of copyright at the University can be found at www.le.ac.uk/library. All queries regarding copyright and use of third party copyright should be directed to the Copyright Officer at copyright@le.ac.uk.

Subject to the exceptions mentioned above under ‘Teaching Materials’, all Intellectual Property, including copyright and performance rights, in teaching materials, and in any media originated by a member of staff during the course of their employment, belongs to the University. While the University owns the copyright to textbooks written by academics during the course of their employment, the University generally waives its right to such copyright, allowing employees to exploit such works to their own benefit and at their own cost.

Academic publications include but are not limited to books, contributions to books, articles and conference papers in any media. The University encourages its staff to assert the University’s rights over material submitted for publication. Where a publisher will not grant copyright to the University, staff are encouraged to negotiate to retain the right, or be granted a licence by the publisher for themselves and the University to use the academic publication for teaching, research and open access purposes free of charge. The University does mandate the deposition of publications in open access whenever this is permitted by the publisher. However, this should only be done once due consideration has been given to any intellectual property that could be protected for further development. These provisions also apply to all forms of artwork.

Besides publications and artwork, there are a number of other forms of copyright, such as software and training course materials, which can be commercialised in the traditional manner. The University does not automatically waive ownership of the copyright of such items. Ownership of such copyright is to remain with the University for the purposes of commercialisation. In turn, the creator can participate in the University’s revenue sharing scheme applicable to all inventors.
Revenue Sharing

The University wishes to encourage its members to come forward with IP that may have commercial value and to properly reward them for their inventive and creative contributions. Accordingly, if the University commercialises IP generated by its employees and this results in net revenue received by the University, then the University shall share this with the inventors and their departments. Please see the University’s IP policy for more information.

Net revenue is defined as any revenue received by the University, including royalties, licence fee lump sums, capital or any other such income from third parties arising as a result of the commercial exploitation of IP, less any:

1) Costs incurred by the University in protecting the relevant IP;
2) Value added (or like) sales tax payable by the University in respect of such commercialisation;
3) Expenses, including professional fees, incurred by the University in connection with such commercialisation;
4) Internal University costs attributable directly to the commercialisation of the relevant IP.

Payment of Revenue

1) Inventors, who are still members of the University, may opt to have any revenue payments paid directly through payroll or into their University Departmental Development Fund. Payments through payroll will incur tax and national insurance and any other deductions as appropriate.

2) If an inventor is not employed by the University, payments will be paid by cheque or BACS. All such inventors shall remain solely responsible for any tax, national insurance or other charges due in respect of such payment.
Breach of Policy

Any breach of the University IP policy shall be treated as a disciplinary matter for all members of the University and will be dealt with under the normal disciplinary procedure.

Material Transfer Agreements (MTA)

1) External release of materials owned by the University is a common source of intellectual property leakage. Therefore, if a member of the University wishes to transfer materials from the University to a third party, the member of staff must request that an MTA be drafted, negotiated and authorised by RED. Such MTAs shall ensure the material transferred is used in accordance with all relevant legislation and regulations. MTAs shall also limit the University’s liabilities and risk exposure in the transfer of such materials. For the purpose of the IP Policy, the definition of material includes software.

2) If the University receives an MTA from a third party with the aim of transferring materials into the University, then prior to authorisation, the terms and conditions of the MTA shall be reviewed and authorised by RED.

3) The University reserves the right to refuse to sign an MTA if terms and conditions are not acceptable, if they clash with the terms and conditions of any funding body, or if licenses are required to use the material. If the University refuses to sign an MTA, it will liaise with the academic requesting the MTA to identify whether alternative sources of materials exist.

4) Academic institutions shall normally receive the material under an MTA free of charge, subject to transportation costs, for non-commercial purposes only, including research and teaching. The University reserves the right to charge a fee for providing such materials in appropriate circumstances.

5) If an academic institution or commercial organisation requests materials from the University for commercial purposes, the University will require payment.

6) The University reserves the right to refuse to grant any third party access to materials owned or held by the University.

7) No employee shall sign a third party MTA without prior clearance from RED.

Spin-Out and Incubation Policy

IP is sometimes licensed or assigned to a University spin-out company. Staff considering setting up such a company are also referred to the University’s Spin-out and Incubation Policy.

For any further questions contact: red-ip@le.ac.uk
Avoiding Common Pitfalls

**Do**

✓ Keep the idea confidential.
✓ Keep good records to show you are the inventor.
✓ Complete and return the Technology Disclosure Form.
✓ Talk to the Commercialisation Team as early as possible.

**Don’t**

✗ Disclose the idea to anyone before the IP is protected.
✗ Submit papers or posters for publication before protecting the IP.
✗ Sign material transfer or confidentiality agreements from other organisations.