

The University of Huddersfield Intellectual Property Policy

1. Introduction and Scope

- 1.1 Intellectual Property (IP) is important to the functioning of the University. Research, inventions and the like raise the University's profile and that of its staff and students in the academic and commercial world and, in the current climate the exploitation of IP has become more important and is happening on a more frequent basis.
- 1.2 This document sets out the University's policy on IP. It explains the arrangements the University has put in place to deal with IP created by its staff and students. In this regard, the overriding aim is to ensure equitable treatment of, and returns to, the originators of IP.
- 1.3 This policy is specifically incorporated into all employees' contracts of employment and any legal relationship between the University and its students.
- 1.4 This document does not provide an overview of what constitutes IP, the different rights which might attach to it and the protection which may be afforded to it. If you require further information on any of these matters, please contact Research & Enterprise, your Schools Business Development representative or see www.ipo.gov.uk the website of the UK Intellectual Property Office which has information explaining the different types of IP.
- 1.5 If you want to develop or commercialise IP, please contact Research & Enterprise, your Schools Business Development representative.

2. Ownership

Employees

- 2.1 The Patents Act 1977 and the Copyright, Designs and Patents Act 1988 provide that an employer owns the IP when it is created by an employee in the course of his/her employment.
- 2.2 The University owns all IP created by both academic and support staff during the course of their employment, for example:
 - 2.2.1 All records in whatever form, documents and papers relating to the finance or administration of the University and which are made or acquired by employees in the course of their employment are the property of the University, as is the copyright in them;
 - 2.2.2 Course materials produced by employees in the course of employment, for the purposes of the curriculum of a course run by the University and supplied, used or disseminated by the University are the property of the University, as is the copyright in them. For the avoidance of doubt, this includes course materials produced for use overseas, distance learning, or virtual learning;

- 2.2.3 Outcomes of research (which for the avoidance of doubt without limitation includes primary research data unless otherwise agreed in writing) solely or partially funded and supported by the University are the property of the University, as is the copyright or any other IP right in them;
- 2.2.4 Inventions by employees which result from normal or specifically assigned duties, or where there is a special obligation to further the interests of the University inherent in particular posts (as specified in section 39 of the Patents Act 1977), will belong and must be disclosed to the University.
- 2.3 All documents containing or relating to University owned IP must be handed over to the most senior member of the employing school or service by employees on or before the termination of their employment for whatever reason.
- 2.4 At the University's entire discretion, the rules in relation to the ownership of IP created by employees in the course of their employment may be varied from time to time, by specific agreement between the employee and the Vice-Chancellor or his nominee.
- 2.5 The University may at its entire discretion waive its right to copyright in a limited class of items produced by "scholarly work" in furtherance of a member of staff's professional career. In this context Scholarly Work includes (but is not limited to) books, contributions to books, musical compositions and performances, artistic works, articles and conference papers and is to be construed in the light of the common understanding of this phrase in higher education. The ownership of copyright in such works should be clarified with the relevant Associate Dean Research & Enterprise, or Service Director prior to any such work being undertaken. If the University does waive its right to copyright in such scholarly work, to the extent the staff member is able to do so, the staff member should waive any right to licence fees and or/royalties in relation to that work.
- 2.6 If the University chooses not to protect or exploit IP which has been generated by its employees in the course of their employment, then it may enter into an exclusive licence agreement with the relevant member(s) of staff, which provides for the University to receive 5% royalties, or equity (at the University's discretion). However, staff members should be aware that in some circumstances it will not be possible to enter into such arrangements if the exploitation of the IP would require access to the University's background IP.

Students

2.7 ***Undergraduate***

2.7.1 The default position is that undergraduate students shall own all IP in their work. The University reserves the right to acquire IP from such students; it is anticipated that this is most likely to occur where a final year project contributes to a larger commercial opportunity from the research group of the supervising academic.

2.7.2 The default position does not apply to the following:

Placements. Any IP developed by the student during their placement as an employee would be the property of the host company/organisation.

Alternative internal placement. Any IP developed by the student during their placement would be the property of the university or the external funder depending on the funding source and contract

2.8 ***Postgraduate***

2.8.1 Postgraduate Taught

The default position is that postgraduate students studying on taught courses shall own all IP in their work. The University reserves the right to acquire IP from such students; it is anticipated that this is most likely to occur where a Masters project contributes to a larger commercial opportunity from the research group of the supervising academic.

2.8.2 Postgraduate Research

The default position is that all IP generated by postgraduate students studying on research degrees shall belong to the University. However, it should be noted that certain funding bodies require IP to vest in them as a condition of funding.

If the University owns such IP but chooses not to protect or exploit it then it may enter into an exclusive licence agreement with the student, which provides for the University to receive 10% royalties, or equity (at the University's discretion), falling to 5% on successful completion of studies. However, students should be aware that in some circumstances it will not be possible to enter into such arrangements if the exploitation of the IP would require access to the University's background IP.

2.8.3 M.Ent and Ent.D

The default position is that students following these courses shall own all the IP in their work. If such students exploit the IP in their work, to recognise the research and expertise input of the student's supervisor, the student shall enter into an exclusive licence agreement with the University, which provides for the University to receive 10% royalties, or equity (at the University's discretion), falling to 5% on successful completion of studies.

2.8.4 Visiting Academics

Unless agreed to the contrary, associates (people who are affiliated to the University who are neither employees or students such as visiting academics or researchers, readers and Honoraries), will be treated as a members of staff, in terms of any intellectual property that they develop within their activities at the University. Visiting academics will be rewarded in the same manner as members of staff.

2.9 Acquisition of student IP

If the University acquires IP pursuant to paragraphs 3.1 or 3.2, or in any other circumstances in which the IP is owned by the student, the student will be treated on a par with University employees for sharing income from exploitation. The University retains an unfettered discretion in decisions concerning the commercial exploitation of IP.

3. Third Party Contributions and External Arrangements

3.1 For the ownership of IP arising from consultancy work, Knowledge Transfer Partnerships, contract research and testing and collaborative research, please refer to Table 2 in Appendix 2, which provides an indication of the default position.

3.2 In such cases, third parties will probably be involved in the generation of IP and ownership will depend on the terms of the contract between the third party and the University. If there is any doubt about the provisions in such a contract advice must be sought from the University Legal Officer prior to the contract being signed. Failure to do so could expose the University or its staff and students to third party actions.

- 3.3 If a third party requires repayment of funding on a successful exploitation of IP, or a share in any revenue, such proposals must be discussed with the University Secretary or Legal Officer before any agreements are signed.
- 3.4 Staff members are encouraged to routinely use material transfer agreements for their research materials, any queries in relation to the use of these should be directed to the relevant School's Associate Dean of Research & Enterprise, or Director of Service (as appropriate).

4. Inventorship and Contribution

- 4.1 Inventorship – being named as an inventor on a patent submission is a legal consideration with some minor variation and nuances across different patent jurisdictions (EU vs USA). Inventorship is quite different to academic authorship of a journal publication or article, where authorship is a research conduct or moral issue. Contribution is a broader consideration and covers inventorship as well as those who have non-inventively yet critically contributed to the success of the project. Appendix 3 expands on the definitions of inventorship and contribution with examples.
- 4.2 In terms of reward, both inventors and contributors may be appropriately and proportionately recognized on any successful commercialisation taking into account their agreed relative contribution(s), regardless of them being an inventor or a contributor

5. Revenue Sharing Arrangements if IP is commercially exploited by University

- 5.1 The following guidelines apply equally to qualifying staff and students.
- 5.2 Net income received by the University from the commercial exploitation of any IP will normally be divided between the Inventor(s), the School(s) from which the inventor(s) come and the University centrally in accordance with Table 1 in Appendix 1.
- 5.3 In this context the term Net Income shall mean income after the deduction of any agent's commissions, legal, administrative or other costs of any patents or similar protection; which, for the avoidance of doubt shall include legal and administrative costs associated with contractual negotiations, audit and administration, delivery of know-how, defence and enforcement of the IP and any taxes paid by the University in relation to the IP. The University also reserves the right to take account of the value of any benefits in kind received e.g. equipment grants, special responsibility allowances, additional support staff and replacement staff costs and exceptional paid sabbaticals in calculating the Net Income for division.
- 5.4 Generally, the University encourages inventor(s) to use any income to further develop their research groups and may incentivise such action, where appropriate.
- 5.5 Generally, the University encourages inventors from service functions (e.g. Computing and Library Services, Careers Service, Research and Enterprise) to use any income to support and develop their service groups and may incentivise such action, where appropriate.
- 5.6 Inventor(s) are advised to seek independent advice as to the tax treatment on the payment of income from the exploitation of IP.
- 5.7 Table 1 in Appendix 1 applies to individual inventor(s) over their lifetime rather than in relation to an individual exploitation project. The rationale behind this is to ensure equity between staff working in all areas of the University. In some areas of the University a small number of major items of IP (such as a patent for a new pharmaceutical) are likely to arise, whereas in others a larger number of smaller items of IP (such as a number of computer programs) are more likely to occur. If the "lifetime inventive work" of two members of staff, one in each of these categories, produces the same income to the University, it is fair and logical that each should receive the same personally reward. Equally, it may mean that on a given project, two equal collaborators may receive different levels of award, because of their respective "lifetime" contributions.

5.8 Externally-funded enterprise fellowships may require alternative equity arrangements to be eligible for funding. In such scenarios, the University will on a case-by-case basis and under the direction of the Innovation Committee negotiate an approach based on a non-dilutable reduced equity stake which may become dilutable after agreed milestone(s) e.g. investment value are met.

THE REVENUE SHARING ARRANGEMENTS ARE NOT APPLICABLE TO SPIN OUT COMPANIES TO WHICH DIFFERENT ARRANGEMENTS WILL BE MADE AD HOC UPON CONSULTATION WITH THE INVENTOR(S).

e.g. Spin Out,	Investor 1	X%) Equity % splits will vary
	Investor 2	X%) based on Investment Size
	University	X%) and IP Value
	to be split as:						

	Inventor	40%					
	School	30%					
	University	30%					
e.g. Joint Venture	Company 1	X%) Equity % splits will vary based
	University	X%) on Investment Size and IP Value
	to be split as:						
	Inventor	40%					
	School	30%					
	University	30%					

Shares granted/offered in existing companies

A company in certain instances may wish to reward an academic with shares or equity within that company in recognition of their past or potential contribution

In instances such as these, the University would not normally seek to treat this as 'cash income' (and divide the offered shares as per cash income)

APPENDIX 2: Table 2 Ownership

		OPTION	SUMMARY
Undergraduate	Taught	Default	In principle all owned and exploitable by student. University does retain the automatic right to acquire the IP with remuneration on same basis as employees; this is most likely to occur where a 3rd year project contributes to a larger commercial opportunity from the research group of the supervising academic. (Includes BA (Hons) Enterprise Development). The University has an automatic right to use all student work and recordings thereof of their work for publicity/marketing/display and other academic purposes
		Default option	Enterprise Team as a route for exploitation by student.
		Default option	Outlet for Design or other vehicle which would be school or product (e.g. design) specific and have standard 50:50 revenue split agreement
		Placements	Employed by company/organisation, so all IP owned by employer
		Alternative "Enterprise" Placement	All owned and exploitable by student, no university claim on revenue/equity etc
		Alternative internal placement	"Employed" by group/school, so all owned by university.
Postgraduate	Taught	Default	In principle all owned and exploitable by student, University does retain the automatic right to acquire IP with remuneration on same basis as employees. This is most likely to occur where a Masters project contributes to a larger commercial opportunity from the research group of the supervising academic. The University has an automatic right to use all student work and recordings thereof of their work for publicity/marketing/display and other academic purposes
	Research	Default	University owned, with first rights to protect/exploit subject to any agreed sponsoring/funding requirements. The University has an automatic right to use all student work and recordings thereof of their work for publicity/marketing/display and other academic purposes.

		Uni chooses not to protect exploit	Exclusive licence agreement to student at 10% Royalty/Equity, falling to 5% on successful completion of studies. May be further complicated by required access to Uni background IP
		M.Ent & Ent.D	All owned and exploitable by student as it is their "idea". To recognise research/expertise input by Supervisor and their research group an automatic 10%, falling to 5% (on successful completion) Royalty/Equity agreement to University in place
All Staff		Default	University owns all their IP unless otherwise agreed e.g. as part of a collaborative research project
		Uni chooses not to protect exploit	Exclusive licence agreement to staff member at 5% Royalty/Equity. May be further complicated by required access to other Uni background IP
		All staff undertaking degrees - UG or PG, T or R	As per normal staff guidelines
Consultancy (includes IV's)		Default	Given the nature of consultancy, it is normal for the customer to own any foreground IP. In certain instances, it may be appropriate for the University to seek revenue from any generated foreground IP.
KTP		Variable - though company generally owns	Generally the company partner would own foreground IP, and the University would seek appropriate royalty income from this.
Contract Research & Testing		Customer generally owns all foreground IP	Customer paying FEC plus, so all results & foreground IP belong to customer. If customer is not paying FEC, then some quid pro quo would be expected in terms of revenue from the generated Foreground IP.

Collaborative Research		Varies on a case by case basis as these tend to be high value multipartner agreements	It is essential for the collaborative partners to accurately and fully prescribe relevant background IP - i.e. our pre-existing unique knowledge and understanding. In general, the party who creates the IP has first opportunity to protect. Industry partners within the collaboration generally have first refusal to exploit commercially, also implicit is their (subject to commercial negotiation) access to and use of any enabling background IP held by others in the partnership
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APPENDIX 3 Inventorship and Contribution The criteria for deciding who should be named as an inventor on a patent (or other formal IP registration) are quite different to those an academic would be familiar with as applied to determining authorship of a research article or paper. Definitive rules are laid down in patent law in some jurisdictions, and there are nuances between different patent jurisdictions.

It is acknowledged that an “invention” (or aspects of an invention) may not be capable of being protected by formal IP approaches (e.g. patent) not fulfilling the essential criteria - It must be new, It must involve an 'inventive step', and it must be capable of industrial application. Regardless of whether inventions are formally registered, the general approach outlines below would generally apply.

Contribution to the invention is a broader consideration than pure inventorship and recognises generally team members who have non-inventively yet critically contributed to the success of the project.

General Approach:

It is first necessary to define the invention. An invention may be a new apparatus, device, method of manufacture or processing, use of an existing device or system. When the invention is defined, it is then possible to assess the contribution made by the one or more individuals to the invention.

In general, an individual would be regarded as an **inventor** if they:

- Conceived the initial ideas which defined the research which led to the invention; o Akin to who had the “lightbulb moment idea”
- Actually devised the novel experiments (or products) which form the basis of the patent application;
 - o Akin to development of novel experimental approaches – not a “routine assay” required to develop the invention
- Carried out any experiments or other processes described in the patent application which required that person to show initiative to conceive and/or complete, for instance because unexpected practical difficulties had to be solved;
 - o Akin to the above – was anything innovative/novel done beyond reasonable technical competence / following of routine technique

In general, an individual would not be regarded an inventor if they:

- were involved simply with the carrying-out of work under the instruction of others, regardless of how much skill and effort was involved. They may however be considered a Contributor.

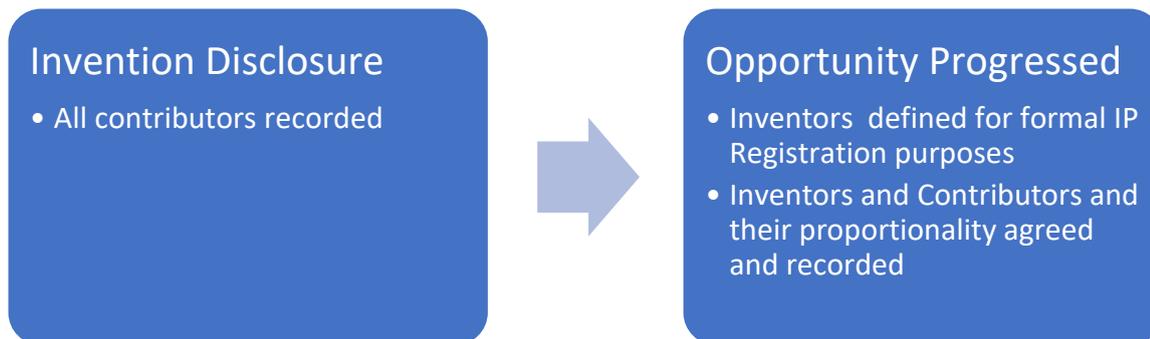
- provided no initiative and made no effective contribution to the R&D (i.e. carried out R&D as instructed by others). Depending on specific project contexts, they may be considered a Contributor.
- had no part in the invention's development, regardless of whether they were associated with any funding it or supported it in any other way, such as providing research facilities, contributed to the background work or were involved in overseeing the R&D work without any active contribution to the development of the invention. It is unlikely such a person would be considered a Contributor.

Approach to Agreeing Inventorship and Contribution

At the initial stage of Invention Disclosure and assessment, the IDF requires all parties who have been involved in the R&D activity culminating in the "invention" to be listed, this can include both internal, external, and indeed former researchers.

After assessment, the invention may be progressed through to commercialisation support, at which stage a formal review may be undertaken with the primary aim of determining inventors to be included in any formal IP registration undertaken by the University. The IP & Commercialisation manager will liaise with the parties identified in the IDF and discuss/agree relative inventorship and contribution to the IDF which

will formally registered and signed by the parties. This will be used in any subsequent income/equity allocation arising from the invention.



POLICY SIGN-OFF AND OWNERSHIP DETAILS	
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V2.0	December 2019	Only minor formatting changes required	Head of Business Development, Research and Enterprise
V3.0	September 2020	Clarification of Contribution and Inventorship. Typographic updates	Head of Business Development, Research & Enterprise
V4.0	November 2021	Supplemental information added to Inventorship. Typographic updates	Head of Business Development, Research & Enterprise
V4.1	November 2022	Supplemental shareholder split to account for alternative scenarios. Typographic updates	Head of Business Partnerships