

SWANSEA UNIVERSITY'S PROCEDURES FOR IMPLEMENTATION OF ITS POLICY ON INTELLECTUAL PROPERTY

1 Introduction

On 17 March 2008, the Council approved the creation of the Swansea Intellectual Property Group to be established within the Department of Research and Innovation to manage and commercialise the University's Intellectual Property. This document is issued in order to establish the governance and procedures of the Swansea IP Group and to provide further guidance, rules and direction to the Swansea IP Group and to University Staff to ensure consistent interpretation and application of Swansea University's Policy on Intellectual Property (IP Policy), which is enacted by the Council concomitantly with these procedures.

2 Definitions

Except where they are defined differently in this document, words and phrases defined in the IP Policy shall have the same meaning in this document.

2.1 Authoriser

means the individual set out in the table below:

| Authoriser | Staff Member |
|-------------------------------------|---|
| Chair of Council | Vice Chancellor |
| Vice Chancellor | Registrar and Pro Vice Chancellors |
| the appropriate Pro Vice Chancellor | Heads of School or Heads of Institutes |
| Registrar | Senior Administrators and Heads of Non-School based Departments |
| Head of School | Academic, academic-related, research or technical staff or others line-managed by the relevant Head of School |
| Head of Institute | Those who are line-managed by the Head of Institute |
| Senior Administrator | Those who are line-managed within the relevant administrative division |

2.2 Department

means the Department of Research and Innovation.

2.3 Director

means the Director of the Department of Research and Innovation who also serves as head of the Swansea IP Group.

2.4 IP Group

means the Swansea IP Group, a group within the Department that has primary responsibility for the administration and implementation of the IP Policy.

2.5 Outside Body

means a company in which the University has less than a 50% shareholding, directly or indirectly, a government body, another entity not controlled by the University, or an individual who is not a University employee.

2.6 University Resources

means any:

2.6.1 funds, facilities, employee time or other resources (including, without limit, equipment and consumables, use/supply of heat, light or power) of the University or a University subsidiary; or

2.6.2 use of the University's name or crest or other mark or distinguishing feature in the promotion of the work,

if the costs of the resources have not been fully reimbursed to the University.

3 Ownership of Intellectual Property

3.1 The ownership of Intellectual Property is determined by the IP Policy. Under Clause 2.3 of the IP Policy, the University can disclaim ownership of resulting Intellectual Property created only with insignificant use of University Resources.

3.2 Insignificant use means that:

3.2.1 only a small amount of unrestricted University funds has been used;

3.2.2 only insignificant University Resources have been used, such as use of office space, library and other general use information sources, personal computers and personal office equipment; and

- 3.2.3 the Intellectual Property has been created exclusively during the personal unpaid time of the creator.
- 3.3 The IP Group in consultation with the relevant Authoriser will determine whether the use of University Resources has been insignificant.
- 3.4 In accordance with the IP Policy, Intellectual Property created pursuant to an agreement with an Outside Body will in all cases initially belong to the University so that ownership may vest pursuant to the agreement.
- 3.5 University Personnel must ensure that agreements (such as individual consultancy agreements or other employment arrangements) do not conflict with the IP Policy. It is the responsibility of each member of staff and his/her relevant Authoriser to ensure that this rule is kept and that copies of all such agreements are deposited with the IP Group.
- 3.6 University Personnel must provide reasonable assistance and cooperation to ensure that Intellectual Property is fully vested in the University.
- 3.7 Non University Personnel (such as some Senior Research Fellows, visiting academics, individuals with honorary appointments, and emeritus staff) who may have an association with the University or access to University Resources, unless agreed otherwise, are required to transfer to the University any Intellectual Property they create in the course of their association with or activities for the University or through use of University Resources. They will be treated as University Personnel for the purposes of revenue-sharing. An agreement must be in place between the University and the individual or his/her employer before the individual's appointment begins. Such individual must keep confidential any confidential information to which he or she has access and only use it for the purpose for which it was supplied, in each case as if he or she were an employee of the University. It is the responsibility of the Head of School or Head of Institute to ensure that this rule is kept and that copies of all such agreements are deposited with the IP Group.

4 Protection and Commercialisation of Intellectual Property

- 4.1 The IP Group has primary responsibility for protection and Commercialisation of Intellectual Property.
- 4.2 The IP Group will decide, after consultation with the Creator and the Authoriser, an appropriate strategy for any protection and Commercialisation of Intellectual Property.

- 4.3 The University will not promote, support or Commercialise any Intellectual Property-related project which contravenes University policies or which in its judgement might adversely affect its reputation. It is the responsibility of the IP Group to ensure that this rule is kept.
- 4.4 The University recognises that it may in its discretion (after consultation with the Creator and the Authoriser) place Intellectual Property in the public domain.
- 4.5 University Personnel must disclose to the IP Group all Intellectual Property (and associated materials) which they have created that may be owned by the University and which may be Commercialised.
- 4.6 A Creator who has created any Intellectual Property (whether he/she believes that the ownership of such Intellectual Property may be claimed by the University or not) owes a duty of good faith to the University, under which he or she must disclose the Intellectual Property to the IP Group. The disclosure will be in the form of the Intellectual Property Disclosure Form, which shall be in such form as the IP Group may from time to time specify.
- 4.7 The IP Group shall enforce the IP Policy and has the right and duty to apply these Procedures for all Intellectual Property owned by the University regardless of whether it has been disclosed to the University by the Creator.
- 4.8 A Creator of Intellectual Property may submit an application to the IP Group requesting that such Intellectual Property be licensed or assigned to the Creator and setting out the Creator's proposals for Commercialisation of the Intellectual Property and the advantages and benefits to the University of those proposals. Such application must be signed by all of the Creators of the Intellectual Property, if there is more than one.
- 4.9 In all cases, the IP Group will review the information contained within the Intellectual Property Disclosure Form and other information necessary to make an informed decision as to whether and if so how to Commercialise the IP Property. The Creator may be required to complete an Invention Record in such form as the IP Group may specify.
- 4.10 The IP Group will notify the Creator(s) of whether it will Commercialise the Intellectual Property and of other steps that it will take.
- 4.11 The IP Group, in its discretion, will determine if and how it will protect any Intellectual Property and how to best Commercialise it. If the IP Group subsequently decides not to Commercialise all or part of the Intellectual Property, it will notify the relevant Creator.

- 4.12 The IP Group will be exclusively responsible (with the assistance of the Creator) for the discussions with potential assignees, licensees, collaborators or other commercial recipients or users of the Intellectual Property and with investors and financiers, for the development of a business plan and for the negotiation of appropriate licences or other agreements.
- 4.13 The time frame for Commercialisation of any Intellectual Property will be determined by the IP Group depending on factors such as market conditions and the state of development of the Intellectual Property.
- 4.14 Each Creator shall provide reasonable assistance to the IP Group such as providing additional information, attending meetings with potential licensees/investors and advising on further developments and improvements of the Intellectual Property.
- 4.15 If the IP Group decides not to Commercialise any Intellectual Property, on request from all of the Creators, the Director will consider to the extent possible a license or assignment to the Creator. A license or assignment will (1) be conditioned on a reservation for use by the University for administrative, promotional, teaching and research purposes, (2) be subject to tax and liability indemnities, (3) provide for compensation to the University in accordance with and otherwise comply with the conditions set out in Clause 4.17, and (4) be on such other terms and conditions as are necessary to protect the interests of the University, its staff or students. It shall be the Director's responsibility to ensure that this is done.
- 4.16 If the Creator believes that the IP Group is not acting diligently, then he or she (acting collectively if there is more than one) may request that the commercialisation be reviewed by the Registrar. The Registrar, if he/she decides that the IP Group is not acting in a timely manner, will set up requirements for the IP Group. If the IP Group fails to meet them, the Registrar may deem that the University will not Commercialise the Intellectual Property and require that the Intellectual Property be licensed or assigned to the Creator.
- 4.17 Where the University licenses or assigns any Intellectual Property to the Creator, then the Creator:
 - 4.17.1 unless the University otherwise consents, may not use, and will procure that anyone to whom they transfer the Intellectual Property does not use, the University's name in any way, except for the following statement:

“The idea was originally conceived and developed at Swansea University.”
 - 4.17.2 pursuant to Clause 2.4 of the IP Policy, will pay to the University

(a) any expenses already incurred by the University in connection with the development, registration or exploitation of any such Intellectual Property (including patent agents' fees). The amount and timing of such payment will be established in the license or assignment.

(b) an amount equal to 15% of the total of any income (for example royalties, license fees, dividends, consultancy fees, or the equivalent) or capital (for example, lump sums, shares in companies or equivalent) realised by or on behalf of the creator or any Associate of the Creator from the Commercialisation of such Intellectual Property .

4.17.3 An Associate of the Creator may be either a personal associate or a business associate.

4.17.3.1 A personal associate is a person that is (1) a spouse, civil partner or other person in a close personal intimate relationship with the Creator (and includes former spouses and civil partners); or (2) is a relative of the Creator (brother, sister, uncle, aunt, nephew, niece, lineal ancestor or lineal descendant, treating a relationship of the half blood as a relationship of the whole blood, and including adoptive or step children and adoptive or step parents).

4.17.3.2 A business associate of the Creator can be a person or an entity. A person is a business associate of the Creator if he or she is or has ever (1) been a business partner of the Creator or of a personal associate of the Creator, (2) employed the Creator or a personal associate of the Creator, (3) been employed by the Creator or by a personal associate of the Creator or by an entity which is an Associate of the Creator, (4) been a shareholder or director of the same company (other than a stock-exchange listed company) as the Creator or of a personal associate of the Creator, or (5) been a person with whom the Creator has had business dealings other than on an arm's length basis. An entity is considered an Associate of the Creator if the Creator or a personal associate of the Creator or any person who is a business associate of the Creator (singularly or jointly) has control of it, directly or indirectly. A person is to be taken as having control of an entity if the entity is accustomed to act in accordance with instructions from that person, or if that person has voting power of one third or more at any general meeting of the entity or any of its parents, or if that person has the power to appoint the majority of the board of directors or other governing body of that entity.

- 4.18 Before leaving the employment of the University, each member of Staff must deposit with their Authoriser any physical and electronic representation including, but not limited to, original drawings, diagrams, recorded know-how, laboratory note books, computer code, and databases related to Intellectual Property which he/she has Created. It is the responsibility of each member of staff and the relevant Authoriser for that person to ensure that this rule is kept and that details of all such representations are deposited with the IP Group.
- 4.19 In negotiating agreements with an outside body relating to Intellectual Property, the IP Group and Department will adhere to any relevant University Policies.
- 4.20 The Vice-Chancellor may establish an advisory group to advise on Commercialisation strategy and Commercialisation arrangements.

5 Revenue Sharing

- 5.1 For the purposes of revenue sharing under Clause 7 of the IP Policy, the value of any Intellectual Property, in the case of a license or assignment or other income generation arrangement (but not a spin-out) normally will be the net income and capital received by the University (but not any income received for research in connection with the Commercialisation after the deduction of all expenses incurred by the University (or its nominated subsidiary company)) in connection with the development, protection, marketing and Commercialisation of the relevant Intellectual Property .
- 5.2 In the case of a Spin-Out:
 - 5.2.1 if the Creator accepts shares or options over shares in the Spin-Out, the Creator will not be entitled to receive additional compensation or revenue of any kind from the University;
 - 5.2.2 if the Creator does not accept shares or options for shares in the Spin-Out, the value of the Intellectual Property will be the value of the proceeds (dividends or otherwise) received by the University from the Spin Out after the deduction of all expenses incurred by the University (or its nominated subsidiary company) in connection with the development, protection, marketing and Commercialisation of the relevant Intellectual Property.
- 5.3 No individual payment of any Creator's share will be paid until it reaches £500.

MISSING CREATORS

- 5.4 A Creator, no longer an employee, who is entitled to payments under the University's revenue sharing arrangements must inform the IP Group in writing of his/her current address or current banking details where any revenue payments may be mailed or deposited. If the IP Group is not given such information, the funds may be invested in a deposit account for three years, unless claimed earlier. Amounts unclaimed for 3 years from the date the revenue is received by the University will be forfeited.

TAX AND NATIONAL INSURANCE

- 5.5 All benefits (such as payments or equity shares) received or receivable by Creators who are current employees of the University will be subject to deduction of income tax and national insurance at source, unless the University otherwise determines with the agreement of HMRC.
- 5.6 The University before making payments to or conferring other benefits on former employees must protect itself from potential liabilities for tax, national insurance, interest and penalties and may, as a condition precedent to making such payment or conferring such benefit require:
- 5.6.1 a written confirmation from the Creator (1) that he/she will declare such payment on all relevant tax returns (2) that the University may disclose such payment or benefit to HMRC and, pending its decision may withhold any payment or benefit and (3) that he/she will indemnify the University against any tax, national insurance, interest and penalties payable in respect of such payment or benefits; and / or
 - 5.6.2 actual payment of any known or reasonably anticipated tax, national insurance, interest and penalties which may arise in respect of revenue sharing benefit, and the University will deduct such payment from any amount the University owes the former employee.
- 5.7 Creators must in any event indemnify the University against any tax, national insurance, interest and penalties that become due in the future with respect to revenue sharing benefits previously paid.
- 5.8 It is the responsibility of the individual Creator and of the Director to ensure that the relevant paperwork is in place to ensure compliance with this Clause 5.

6 Confidentiality

- 6.1 Confidentiality agreements in the name of the University which are related to research, Intellectual Property, or Commercialisation activities must be signed by the Director or an authorized delegate. An individual requested to sign a confidentiality agreement may only sign as an individual.
- 6.2 Confidential information covered by a confidentiality agreement must not be disclosed unless disclosure is authorised. In addition, University Personnel must not disclose University confidential information unless authorised.
- 6.3 All University Personnel must be familiar with the confidentiality requirements contained in confidentiality agreements or research agreements, including any restrictions on disclosure of research results or their publication. Some agreements may give the Outside Body the final decision over whether papers are approved for publishing, which could impact on an individual researcher's career. Sometimes confidentiality agreements restrict publication until a patent application can be filed. All individuals must know the restrictions related to disclosure of research results, and if in doubt, contact the Department or the Outside Body for advice.
- 6.4 University Personnel must
 - 6.4.1 take appropriate advice if he/she is unsure if there may be an invention or design disclosure required by an agreement;
 - 6.4.2 adhere to the terms of any agreement regarding confidentiality and take steps in the use, storage and maintaining of such information, as are appropriate to preserve its confidentiality.
 - 6.4.3 maintain comprehensive records of information received or disclosed and minutes of meetings where oral disclosures are made; and
 - 6.4.4 notify the IP Group if he/she is concerned that confidential information belonging to either an Outside Body or the University is not being appropriately treated.

7 Conflicts of Interest

The University, a public institution, has a fiduciary duty to protect the financial interests of the taxpayer and when there is the possibility that an actual or perceived conflict of interest may result from undertaking an action, University Personnel shall be obliged to follow the University's policies and procedures on conflicts of interests. The Director shall establish procedures for the

disclosure and management of conflicts of interest (actual, potential or perceived) that arise within the context of research or consultancy, the protection, exploitation, use or Commercialisation of the University's intellectual property.

8 Advice and Interpretation

University Personnel may request an interpretation of the IP Policy and these Procedures from the IP Group.

9 Implementation

The IP Group shall have wide authority and discretion, within the confines of (1) the University's Charter and any Regulations, Ordnances or other provisions made by Council (2) the IP Policy and (3) any directions given by or on behalf of the Vice-Chancellor to adopt administrative processes, guidance, forms and interpretations necessary to effectively implement the IP Policy and these Procedures.

10 Dispute Procedure

- 10.1 A dispute in a matter arising out of the IP Policy or these Guidelines and Procedures will be referred to the Authoriser and the Director.
- 10.2 If they are unable to agree or if their decision remains disputed by the Creator the matter shall be resolved by a panel comprised of the Registrar (acting as chair person), the relevant Head of School or Institute, the Pro Vice Chancellor of Science and Engineering (or if such individual is one of the parties in dispute, such party's Authoriser) and two members of the Council whose decision on the matter shall be final.

11. Amendment

These Procedures have been endorsed by the Council; amendments to these Procedures, which are not inconsistent with the IP Policy, may be made by the Finance Committee.