

## 2.1: Draft Institutional IPR Policy Statement for SCA Members and Other Organisations across the Public Sector

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### Introduction

The following Intellectual Property Rights (IPR) policy statements have been developed for SCA members and other organisations across the public sector. Their intention is to provide a basic framework for IPR management and create a minimum set of standards that are compatible across the public sector. The benefits for this include:

- Creation of more consistency in the management of IPR-protected materials across the public sector leading to enhanced collaboration
- Provision of greater public access to content
- More effective management of risks across the public sector
- Maximisation of opportunities relating to IPR ownership and subsequent exploitation

Intellectual Property Rights are key activities within any organisation. Public-sector bodies are likely to be both creators and users of IPR, and so must ensure that IPR created by staff and non-staff is managed appropriately, and that use of third-party materials does not infringe any of the rights of third parties.

The basic legal situation for all IPR is that anything created by an employee **in the course of his or her employee duties** automatically belongs to the employer unless there is some contract to the contrary. In the case of patentable inventions, the law also requires that should the patent result in income for the employer, then some equitable income-sharing scheme be set up with the employee. Curiously, there is no equivalent to such laws for other types of IPR, such as copyright. One crucial aspect is the wording in bold above. If someone creates something, even if done in work time and using the employer's facilities and equipment, that was not part of his or her normal employee duties, then the default position is that the employee owns the IPR in that creation and not the employer. It should also be noted that if custom and practice in the past has been that the employer has chosen not to enforce its legal ownership of IPR from its employees, then a Court may decide there was implied waiver of ownership by the employer that was in place and continues to be in place.

For this reason, it is important that:

- A clear IPR policy is developed outlining roles, rights and responsibilities
- A policy outlines who owns what rights to ensure, for example, that staff understand that they may not actually have the rights to sign away, particularly to commercial publishers
- Any policy developed by the organisation is both widely disseminated and is adhered to
- The policy document should also take into account the particular types of materials that might be created.

For this reason, comments are made below regarding the types of materials it is likely to include:

- i. Material created by researchers, including research papers, conference presentations and patentable inventions
- ii. Educational materials, eg PowerPoint presentations, created by staff for teaching purposes; VLEs and any networked environment or intranet; whiteboards and PDAs; any type of authoring tool
- iii. Broadcasts
- iv. Materials relating to cultural content, such as exhibition catalogues and books

The topics covered by these draft IPR policy statements include:

- Ownership of rights
- Use of third-party materials
- Access to content (such as images and their metadata)
- Crediting
- Management of Rights

It is expected that such draft IPR policy statements are tailor-made to suit organisational requirements, and supplemented by clear localised procedures, training and other implementation measures to ensure compliance.

The Appendix includes additional draft clauses, which might be included with regard to issues pertaining to materials and other work produced by staff during the course of their employment.

## Possible Policy IPR Statements

### A. Ownership of Rights

1. The default legal position is that ownership of the IPR in everything created by an employee in the course of his or her employee duties is owned by the employer, apart from performers' rights, which will require a separate assignment of rights from the employee to the employer. Employees shall, however, own the copyright and related rights in works, performances, data, databases, software and designs created by them outside their contract of employment.
2. There is a distinction between the two types of IPR: Registered Designs, Registered Trade Marks and patents, which one can only obtain having gone through a formal application process and paid fees, and the other, copyright and related rights, which are automatic. The former are treated differently from the latter under this policy.
3. In the case of IPRs that involve formal application processes and fees, the following ground rules shall apply:
  - a. If at any time in the course of his or her employee duties, a member of staff shall either alone or jointly with any person or persons make or discover any invention, or develop a design or Trade Mark that might reasonably be considered to be patentable (if an invention) or capable of commercial exploitation, such member of staff shall promptly give to the {Chief Operating Officer} full information and particulars in relation thereto fully freely and confidentially (disclosing the same to no other person) and at our request and cost shall join with and assist the employer (or its nominee as it shall direct) in obtaining Intellectual Property Rights in relation thereto in any parts of the world; the employee shall also at the request and cost of the employer execute and do all documents, acts and things that it may require for the purposes of vesting the beneficial right to an interest in such rights, which may have been obtained in relation thereto.
  - b. The employer shall be entitled to undertake the further development and exploitation of the development and the member of staff shall do all things necessary to assist it in respect thereof.
  - c. If the employer obtains Letters Patent in respect of any such invention for its own absolute and beneficial use and turns the same to profitable account, it shall pay half of the net resulting profit to the member or members of staff concerned with the invention (and if there be more than one such member in such proportions between them as the employer shall unilaterally direct). Such net resulting profit shall be struck after providing for the reimbursement to the employer of all the costs and payments incurred in and about applying for and obtaining protective rights for the invention and in developing and turning or seeking to turn it to profitable account. For the avoidance of doubt the provision for the division of net profit does not supersede the members' rights under the Patents Act 1977 or any amendment thereto.
  - d. If the employer does not desire to acquire the exclusive benefit thereof, then on receipt of written notice to that effect from the {Chief Operating Officer}, the member or members of staff concerned shall be free to protect the same at their own cost and retain for themselves the exclusive rights thereto. Such notice by the {Chief Operating Officer} shall be given within a reasonable period but in no case shall it exceed a period of six months from the date of communication.

4. The ownership of rights in the following staff-related activities can be applied accordingly:
  - a) Where copyright materials result from the following activities, research undertaken by members of staff in the course of their employee duties, the employer waives its rights to ownership of copyright in such materials, subject to the following conditions: (a) the employer retains the right to copy any such copyright works into a digital repository, including, but not limited to, an Institutional Repository, a subject-based Repository, or the JISC-funded DEPOT service and to make such materials available under a Creative Commons or Open Source licence; (b) the employee agrees NOT to assign copyright in such materials to any third party without the prior agreement of the employer. We recommend that if the material is offered to a journal publisher, that the SURF licence be used (see <http://copyrighttoolbox.surf.nl/copyrighttoolbox/authors>).
  - b) Where materials have been created for teaching purposes, the employer follows the policy outlined in the HEFCE Guidance on IPR and e Materials (see [www.hefce.ac.uk/pubs/hefce/2006/06\\_20](http://www.hefce.ac.uk/pubs/hefce/2006/06_20)). Its Model Contract is reproduced in slightly amended form as an Appendix to this policy and this amended contract forms part of this policy.
  - c) Where broadcasts have been made by staff, all IPR in that broadcast shall be owned by the employer. Anyone who is not a member of staff and who is involved in the making of the broadcast, eg an interviewee, shall be required to assign all IPRs, including performance rights, to the employer.
  - d) Where materials have been created in connection with cultural content, eg an exhibition catalogue or text associated with a museum's or stately home's collections, copyright in such materials created as part of employee duties shall vest with the employer.
  - e) Where health-related materials have been created by staff, all IPR shall be owned by the employer.
5. There should be clear statements regarding situations where staff retain rights in works that they have created. Staff should be given maximum encouragement and leeway in the creation of such materials.
6. Non-staff such as volunteers, research students, commissioned parties, freelancers and other contracted parties, by law automatically own the rights in works they have created. There should, therefore, be clear statements in place regarding the ownership of such rights, and the necessary procedures required for assignments of rights, as well as training, where appropriate.
7. The organisation reserves the right to negotiate shared ownership, permission to reuse content and explore royalty opportunities resulting from collaborative projects and initiatives.
8. In cases where the organisation does not retain full rights, the organisation must ensure that it reserves the right to reuse the work for its own purposes and that its ability to commercially exploit the work is not unduly restricted.

## B. Use of Third-Party Materials

It is likely that in the course of creation or development of materials by employees and non-staff, third-party materials might be included in the final product. These could include text, images, music, sound recordings, broadcasts, film or software. The legal position is that in general, **such materials should not be incorporated into creations made by employees, or sold, copied or re-disseminated by employees without the express written permission of the owner of the rights in that third-party material.** However, this general statement is subject to certain caveats:

1. Copyright expires after a while; the lifetime varies according to circumstances, but a good rule of thumb is that anything more than 100 years old is likely to be out of copyright. Under such circumstances, an employee would be free to copy materials as he or she sees fit. However, the employee should always take formal advice from {Ö.} before undertaking any such copying. It is important to be aware that even if copyright may have expired there may be other rights that still subsist, such as reproduction rights. Care must be taken to distinguish between different rights, to ensure that they are not infringed.
2. There are a number of important exceptions to copyright that allow someone to copy materials that are in copyright without having to ask permission or pay any fees. These include requiring a copy for non-commercial research or private study, Library Privilege or if required in a legal hearing. Employees should always check with {Ö.} before relying on any such exception, as many of them are restricted in scope and

some are subject to misunderstandings. If content has been copied for one purpose, and is now going to be copied and/or disseminated for another quite different purpose, employees should check with {Ö.} before undertaking any such copying.

3. Patents have a lifetime of 20 years from the date that the patent was first applied for. A patent may, however, lapse, if renewal fees are not paid by the owner. Again, advice should be sought from {Ö..} before making or using the invention that is subject to the patent.
4. The use of Registered Trade Marks, logos and other organisations' names is particularly problematic, and these should never be incorporated into outputs by employees without checking with {Ö..}.
5. A particular problem arises in the case of so-called 'orphan works', ie third-party works that are probably or definitely in copyright but whose owner cannot be identified. Copying such materials requires considerable caution, and efforts should be made (and such efforts documented) to identify the owner. Advice should then be sought from {Ö.} before any copying is then undertaken. Statements relating to orphan works should be linked to an organisation's approaches to risk and risk management.<sup>1</sup>
6. A quite different situation arises where the owner has been identified and has been approached for permission to copy, but has not replied. Under these circumstances, no copying should take place.
7. If what is being created is so-called 'User-Generated Content', for example a string of emails from various people in a discussion thread, or material contributed by several individuals on a wiki, blog or social networking site, then complex legal issues arise. The organisation follows the guidelines provided by the Web2Rights project ([www.web2rights.org.uk](http://www.web2rights.org.uk)) and in particular recommends that actions regarding reproducing such materials follow the guidance in [www.web2rights.org.uk/iptoolkit/1.5\\_Copyright\\_Exceptions\\_Overview\\_Paper.pdf](http://www.web2rights.org.uk/iptoolkit/1.5_Copyright_Exceptions_Overview_Paper.pdf).

### C. Access to Content

1. The organisation aims to provide free online public access to its content under Open Access principles subject to copyright restrictions.
2. The organisation aims to provide access to users in compliance with third-party rights and the contractual obligations of funding bodies, sponsors and other partners.
3. Employees, volunteers, contractors and formal visitors shall take necessary measures to ensure that they protect the rights in the organisation's IP and those in third-party content.

### D. Crediting

1. All use of content in which rights are owned by the organisation shall require the use of the appropriate credit line and/or digital watermark.
2. Credit to staff in works that they create during the course of their employment shall be made on a case by case basis.
3. Use of third-party content shall require the use of the appropriate credit line and/or digital watermark.

### E. Management of Rights

1. Employees, volunteers, contractors and formal visitors are responsible for ensuring that they record rights management information, associated with rights and assets created and owned by the organisation and third parties, in accordance with internal procedures, systems and legal requirements.
2. Whilst the organisation shall remain the first owner of copyright in works produced by staff during the course of their employment, staff shall remain the authors of the works, upon which the duration of copyright shall be based. In these instances, wherever possible this information should be recorded.

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<sup>1</sup> See the MILE Project website ([www.mileproject.eu](http://www.mileproject.eu)) for further developments in this area.

# Appendix: Draft clauses that might be used in relation to staff-produced work

## Definitions

1. 'Materials' means any materials created within the institution or created on behalf of the institution.
2. 'IPR' means patents, Trade Marks, trade names, design rights, copyright, database rights, confidential information, rights in know-how and other Intellectual Property Rights, in each case whether registered or unregistered and including applications for the grant of any of the foregoing and all rights or forms of protection having equivalent or similar effect to any of the foregoing which shall subsist anywhere in the world.
3. 'Member of staff' means staff, research associates, technicians, or any other members of staff of the institution who are employed under a contract of employment (whether fixed term or permanent).
4. 'User' or 'Authorised User' means only persons currently enrolled or employed by the institution in a research, employment or educational faculty or those who are entitled to use the facilities of the institution.
5. 'Authorised Use' means access to 'Materials' solely by 'Authorised/User' for non-commercial, educational or research use and limited to certain activities, such as browsing, copying and reproduction in coursework, display and presentations.

## Primary obligation

6. The parties foresee that the member of staff may make or discover or create intellectual property in the course of his or her duties under this agreement and agree that in this respect the member of staff has a special duty to further the interests of the institution.

## Title to rights

7. Subject to the provisions of the Patents Act 1977, the Registered Designs Act 1949 and the Copyright, Designs and Patents Act 1988, all IPR in the materials originated by the member of staff and arising out of the performance of his/her duties under this agreement shall be the property of the institution, and the member of staff undertakes to do all acts and things as may be thought by the institution to be necessary to vest any such property in the institution and to register title in such property in the institution.
8. Any rights in performances in which a member of staff appears, shall be assigned to the institution in writing.
9. In the event that the member of staff fails (for whatever reason) within 30 days of a demand by the institution to do all acts and things effectively to vest any such property in the Institution, the member of staff hereby authorises the institution in his/her name and on his/her behalf to execute all such deeds or documents as may be necessary or desirable to transfer and/or assign in writing, such property in the materials to the institution and register title in the materials in the institution.
10. If material from other copyright works is included in the materials, the member of staff shall identify such material to the institution and shall obtain all necessary written permissions from the owners or from any rights organisation authorised by the owner to grant such permissions in respect of such material. Alternatively the member of staff shall, if the institution so agrees, provide the institution with sufficient information to enable the institution to obtain such permissions, but the institution shall not thereby be obliged to secure such permissions and may require that the member of staff omit any such material from the materials.
11. The institution hereby agrees and acknowledges that all Performers' Rights in any video or other recording of the member of staff's own lectures or presentations or similar works are owned by the member of staff. The member of staff grants to the institution and its authorised users an irrevocable royalty-free non-exclusive licence to use such material for administrative, educational, teaching and research purposes.

- Nothing in this agreement shall constitute a waiver by the member of staff of any moral right under the Copyright, Designs and Patents Act 1988, and nothing therein shall constitute an exclusive recording contract within the meaning of Part II of that Act or consent by the member of staff to the exploitation of any qualifying performance for the purposes of that Part.

### Exploitation and income

- The institution is free to exploit (whether for financial gain or not) such materials as it sees fit, including licensing or assigning the IPR in the materials to third parties, or merging said materials with other materials created within the institution or elsewhere provided that the commercial rights have been cleared, especially for any third-party content.
- Should the materials prove to be profitable, the institution agrees that it shall, in accordance with its normal procedures, enter into good faith negotiations with the member of staff regarding possible rewards.
- The materials will not be resold without prior permission of the rights holders involved, nor the rights assigned to any further party.

### Credits

- The institution agrees to credit the member of staff for any contribution to the materials. The institution shall comply with any request by the member of staff in writing that his/her name be removed from the materials where such request is on grounds that the whole or parts of the materials are out of date or changed in a manner that might damage his/her reputation.
- The institution may update or in any other way amend the materials to suit its requirements. The institution agrees to consult the member of staff over any significant amendments without any obligation to be bound by the same in deciding on the final form or content of such amendments.

### Permitted uses

- The institution grants to the member of staff a royalty-free non-exclusive licence to use the materials created by the member of staff or jointly with others for non-commercial teaching or research purposes only for as long as the member of staff remains employed by the institution. Such licence may continue after the termination of this agreement provided that the use of the materials does not damage the exploitation of the materials by [the institution] or prejudice in any way the interests of the institution.
- Should the contract of employment of the member of staff terminate, the member of staff shall be entitled to enter into negotiations with the institution with a view to permitting the member of staff to make and retain a copy of the materials for his/her use for non-commercial teaching and research purposes. In the case of disagreement over these negotiations, dispute settlement procedures in accordance with Clause 25 of this agreement shall be invoked. Neither the member of staff nor his/her new employer is permitted to commercially exploit the materials without the express permission of the institution.
- Nothing herein shall grant to the member of staff any right or licence to copy or use any versions of the materials updated or in any way amended by the institution after termination of the employment whose terms and conditions are governed by this agreement.

### Prohibited uses

- The member of staff is not permitted to assign or enter into any licence for the exploitation of the materials. In the event that the member of staff becomes aware of any third party wishing to exploit the materials, such third party shall be advised by the member of staff to contact the institution as the owner of the IPR in the materials.

## Rights in other material

22. Save as provided hereafter, the institution agrees and recognises that the IPR in texts shall be vested in the member of staff. Texts means textbooks and academic articles and works of a similar nature other than materials created through the intellectual effort of the member of staff in the course of employment. Texts are not confined to words, but could include images or other media. The member of staff grants to the institution and its authorised users an irrevocable royalty-free non-exclusive licence to use the texts for administrative, educational, teaching and research purposes.
23. If texts are to be used in the materials, IPR in texts shall not be assigned or licensed by the member of staff on an exclusive basis to any third party unless provision is made for the institution to use such materials for teaching and research purposes without charge.

## Termination

24. Save as provided herein, all rights and obligations under this agreement shall continue to be in force after the termination of the Member of staff's employment contract in respect of all IPR in the materials originated by the member of staff during the member of staff's employment under this agreement, and shall be binding on his/her representatives.

## Dispute settlement

25. Any dispute between the parties arising out of or in connection with this agreement, except as otherwise provided in this agreement, shall be referred to the arbitration of a single arbitrator appointed by agreement between the parties or, failing agreement between the parties, within thirty (30) days after a request for a reference is made by either party, [eg] nominated on the application of either party by the chairman for the time being of the Bar Council.

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