

# LANCASTER UNIVERSITY

## INTELLECTUAL PROPERTY REGULATIONS

(These regulations apply equally to students and staff, and have been approved by the Senate (S.2004/7) and the Council (CO.2004/15) on that basis.)

### Preamble

1. Academic work and research often gives rise to expression of ideas, know-how, software, inventions, designs, or processes. Rights in and to these are known as intellectual property. Staff and students have the potential to create such property at any time during their work or studies.
2. The rules set out below shall apply to all members of the university, including to all students. Employees have employment contracts that contain ownership of intellectual property created by virtue of the terms of their employment. Students whose primary relationship with the university is that of an employee shall be treated on the same basis as all other employees.
3. In general, the student as creator of the work first owns any intellectual property they create. There are, however, a few exceptions to this: Some UK Research Councils specify that any intellectual property arising from studentships that they fund is vested in the university: See point 7.
4. The University is obliged to ensure that intellectual property with commercial potential, arising from research or work supported by public funds, is protected and exploited wherever possible. The exploitation of intellectual property (which for the purposes of these rules includes know-how) arising from other contracts and projects is usually governed by commercial agreements between the parties involved, and these may include students.
5. The means of commercial exploitation of intellectual property may include inter alia both the licensing use of the property to third parties and the creation of spin-out companies, established by the University to use and promote its intellectual property.

### Regulations

6. Students may create intellectual property in the course of their studies at the University. Students shall be offered the opportunity to assign their rights to and in such intellectual property to the university by completing a statement at matriculation. Following such assignment the university shall become the owner of the relevant intellectual property and shall be able to deal in and license it. Any student who for any reason did not assign at matriculation shall continue to have the right at any time to assign any of his or her intellectual property rights in whole or in part to the University.
7. Students who are sponsored or funded by any UK Research Council or other third party shall, depending on the terms of the sponsorship or funding in each case, if so required assign or agree to assign (as appropriate) their intellectual property rights created during the course of such sponsored or funding work to the third party or to the University. If the student has however told the university prior to the

commencement of the work that they are not willing to assign any of their intellectual property, the University shall have the right to move such a student to a project which is unlikely to produce commercially exploitable intellectual property. If no such alternative opportunity exists, the university shall be under no obligation to keep open that student's funded place.

8. All students (and employees) shall be able to benefit from the exploitation of intellectual property arising from their work during a course of studies or as a result of a research project.
9. In all appropriate circumstances the university shall endeavour to acknowledge fully the contribution of individuals to the creation of any intellectual property and, subject to any restrictions necessary for commercialisation of it, shall permit the creator to use the intellectual property for scholarly purposes i.e. the publication, copying or other dissemination of books, articles, data or conference papers, or contributions to the same for academic or study purposes, the term to be continued in the light of the common understanding of the phrase in higher education.
10. When any student creates intellectual property that has the potential for commercial exploitation and which belongs to the University or which the individual is obliged to assign either to the university or a third party, the student and/or their supervisor shall report it to the relevant head of department and the University Secretary, whether or not the assignment of rights has so far taken place. At this stage all parties shall maintain strict confidentiality. Students shall be obliged not to disclose any confidential information shared with them by an employee of the university, as if they were themselves employees.
11. Where a student has not assigned their rights to any intellectual property, but some has been created, the University Secretary shall notify that individual about whether they are free to exploit or commercialise such intellectual property within six months of the initial report of the intellectual property (see point 10).

For the avoidance of doubt, this regulation is to cover circumstances under which a student may have co-rights with the university.

12. If the university decides not to exploit a particular piece of intellectual property it shall, on request and pursuant to point 10, assign the rights to the inventor who created it, subject to a non-exclusive, royalty-free, irrevocable, worldwide license back to the university for use in research and development. The university shall require payment of a small annual royalty from any subsequent commercial income as a contribution towards the costs of its commercial operations and to the administrative costs associated with drawing up the assignment.
13. Where the university decides to exploit the intellectual property, it shall hold discussions between the interested parties to determine the appropriate action to be taken. Students or other inventors concerned shall provide reasonable assistance to the process e.g. by providing information promptly on request, attending meetings with potential licensees or investors in spin-out companies, advising on further development, and being available to sign documents as appropriate.
14. The university shall have the right to consult on a confidential basis, with appropriate experts, to assist with the assessment of innovation and commercial potential, and shall keep any university member involved in the creation of the intellectual property informed of such consultation.

15. Where the university owns the intellectual property by virtue either of the terms of employment or by a student's assignment, the student shall receive a fair share of the surplus revenue after the university has recovered the costs of protection and exploitation, as well as public recognition of his or her role in the creation of such intellectual property. Guidance on the apportionment of the net revenue shall be given by the Director of Research and Enterprise Services (see Appendix).
16. Intellectual property created during the period of a student's registration with the university, that student having assigned his or her rights, or an employee's period of contact, remains under the ownership of the university in perpetuity, and the rights and obligations of the parties continue as set out above. Any property created after the period of registration or contract belongs to the graduate or employee concerned and is not assigned.
17. Where the student is the creator of the intellectual property, he/she may not, in publishing or exploiting it, make use without written permission from the university of any other intellectual property held by the university and acquired by the student in the course of his/her studies or research, or otherwise obtained from the university.
18. The university may, as a condition of involving a student in certain projects sponsored by third parties, require the student to give further undertakings as to confidentiality or the treatment of intellectual property that shall permit the university to comply with its obligations under contracts with such third parties.
19. Subject to point 10, the university shall not suppress a student's results or products of work, and shall not hinder publication of such results for academic purposes, provided that any temporary stays on publication, agreed in consultation with the student, shall have expired.

#### **Appendix: apportionment of benefits from intellectual property**

Subject to the recovery of all costs associated with protection and exploitation, the surplus revenue received in total by the university as the result of exploitation of intellectual property, shall be distributed as follows.

(a) Licence to third parties

A minimum share of 35% of the net revenue on an ex-gratia basis shall be distributed to the persons who created the intellectual property. Where more than one person is involved, payments shall be made in the proportions agreed between them. In the absence of such agreement, the University Secretary, acting on behalf of the university, shall decide.

A maximum share of the net revenue of 50% shall be distributed in aggregate ex-gratia to those persons who created the intellectual property, depending on their respective contributions to the commercial development of it, as determined at its discretion by the university.

(b) Spin-out companies

If the university decides to establish a company to exploit a particular piece of intellectual property, rather than license it to third parties, the circumstances of each such company are likely to need treatment on a case-by-case basis.

Students whose intellectual property is involved in the setting up of a spin-out company shall be kept informed of their rights by the university at all stages and shall receive a share of the benefits on equal terms with any employee of the university.