

TITLE	INTELLECTUAL PROPERTY: OWNERSHIP, PROTECTION AND COMMERCIALISATION
FILE NUMBER	2002 03950
PURPOSE	(A) To establish the ownership of intellectual property generated by staff and students of, and visitors to, the Australian National University. (B) To provide procedures for the disclosure, protection and commercialisation of the Intellectual Property.
RELEVANT TO	Staff, Students, Visitors ANU Office of Commercialisation Delegations Administrator
RESPONSIBLE OFFICER	Deputy Vice-Chancellor (Research)
INTRODUCED	May 2006
MODIFICATION HISTORY	This document replaces Intellectual Property: Ownership, Protection and Commercialisation (1298b/2002) and the earlier Intellectual Property Guidelines (1281E/1998). It was reviewed in April 2006 pursuant to the formation of the Office of Commercialisation
RELATED POLICIES	Externally-funded Grants, Consultancies and Contracts (200302090) Company Directorships, Secretaryships and Partnerships (200203950) Conflict of Interest and Commitment (200301368) Use of the University Name and Insignia (200104911) Academic Status (Full, Clinical, Adjunct) (200103236) Responsible Practice of Research (200402935) Undertaking Individual Consultancies and Professional Practice (52-Day Rule) (200503396)
KEY WORDS	Intellectual Property, Commercialisation, Copyright, 52 day Rule, Patents, Grants, Contracts, Consultancies, Research
RELEVANT LEGISLATION	Commonwealth Authorities and Companies Act 1997 (Cth) Copyright Act 1968 (Cth) Designs Act 1906 (Cth) Patents Act 1990 (Cth) Trademarks Act 1995 (Cth)
PROCEDURES	The <i>ANU Intellectual Property Manual</i> (1305b/2002), as amended from time to time, details the procedures to be used in implementing this Policy.

PRINCIPLES**PART A. OWNERSHIP OF INTELLECTUAL PROPERTY**

1. Introduction

1.1 As the specially chartered national university, the Australian National University has two primary functions: research and education. Basic and strategic research, research training and research-led teaching, carried out at the highest international standards in a free and enabling environment, form the core activities of the University's staff in its Research Schools, Faculties and University Centres. The University also encourages a culture of innovation among its researchers and students and the protection and management of the intellectual property (IP) gained from its research.

1.2 As part of the research and innovation continuum, basic, strategic and applied research across the disciplines in the arts, social sciences and humanities, sciences and engineering performed by University researchers creates new IP, sometimes with significant value and potential for the University and for Australia.

1.3 Figure 1 represents the innovation cycle as applied to the University. The core functions of scholarship, research, research training and teaching are responsible for the major "product" of the University. This product is outstanding people: staff and students able to lead and develop the intellectual capacity of the nation and to contribute to Australia's competitive advantage in all aspects of national life. As one result of these activities, advances in innovation and the IP thus generated are managed by the ANU Office of Commercialisation through appropriate strategies in patenting and commercial development, usually with professional external partners from business and commerce. The outcome of these activities is a projected return to the University, through several revenue pathways, of resources that further sustain and build the core research and teaching mission.

1.4 The effective protection and commercialisation of IP requires the involvement of the originators of that knowledge. While the level of that involvement may vary widely from one case to another, depending on the interests of the inventor(s) and the nature of commercialisation, the management of IP involves a partnership between the inventor(s) and the University. This document and its related policies clarify the foundation for that partnership.

1.5 The Office of Commercialisation with responsibility for administering IP and technology transfer at the University, manages disclosure, patenting and marketing within and outside the University, and the development of start-up and spin-off companies. This responsibility includes the licensing of IP and arrangements for equity, shares, royalties etc., together with ensuring that the rights and returns to the University, inventors and students are safeguarded and open.

1.6 The Research Office (RO) manages all applications for and the acceptance of funding from external bodies including grants, research contracts and consultancies other than those dealing with commercialisation of the University's IP. Staff are not permitted to enter into agreements of these types other than via RO.

1.7 The Office of Commercialisation and the RO consult with each other on all projects where any overlap in their respective activities occurs. This consultation enables the University to audit the assignment of any IP and to reduce the risk of inappropriate agreements.

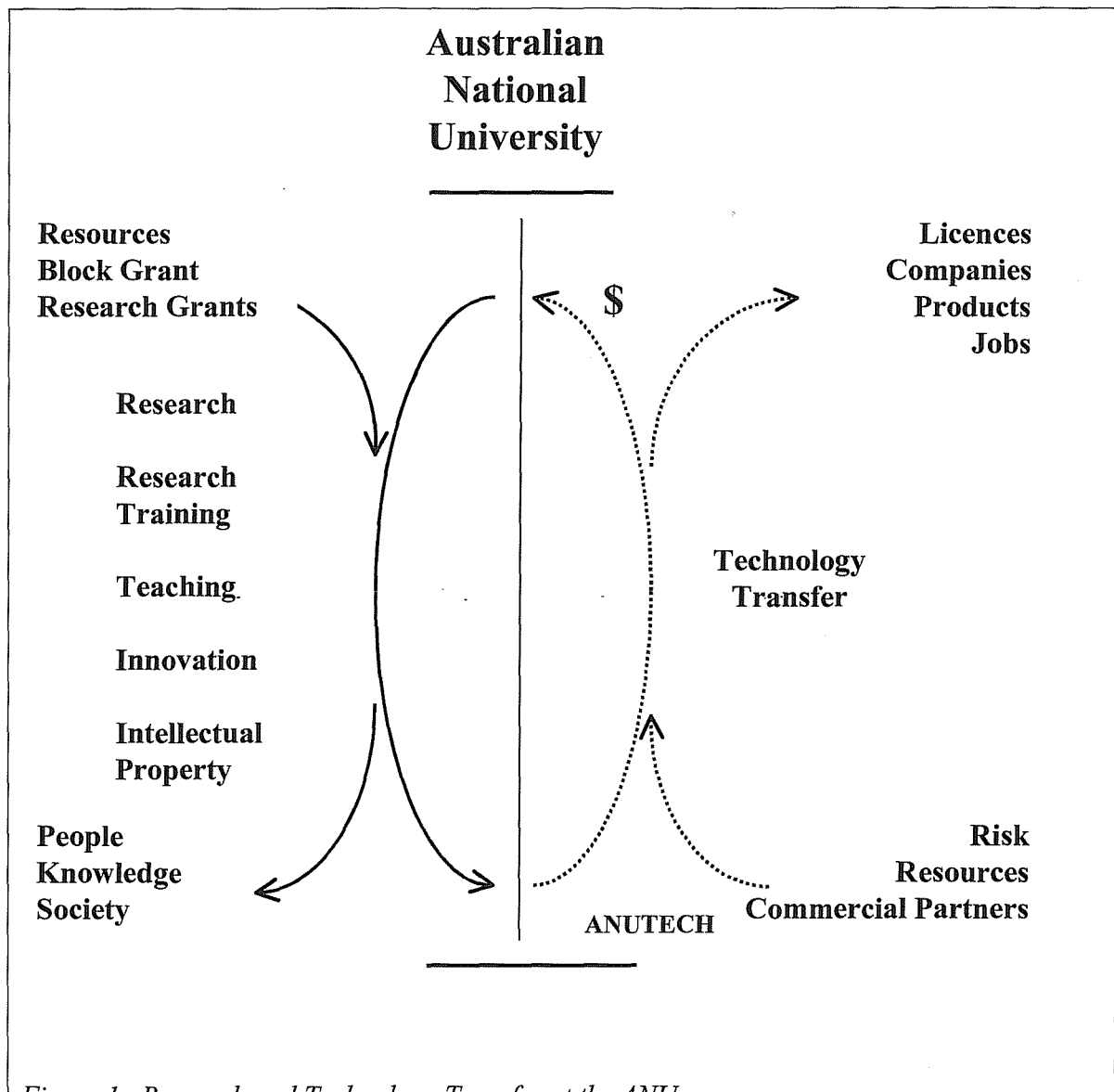


Figure 1. Research and Technology Transfer at the ANU

1.8 The University's IP related policies ensure that the University meets the *National Principles of Intellectual Property Management for Publicly Funded Research* (The Australian Research Council, The Australian Tertiary Institutions Commercial Companies Association, The Australian Vice-Chancellors' Committee, The Department of Education, Training and Youth Affairs, The Department of Industry, Science and Resources, IP Australia, The National Health and Medical Research Council, August 2001). In drafting this policy, the University has also been guided by *Ownership of Intellectual Property in Universities: Policy and Good Practice Guide* (AV-CC, 2002) and *Research in the National Interest: Commercialising Research in Australian Universities* (AGPS, 1998).

1.9 In providing ethical management of all matters concerning intellectual property, and the proceeds from invention, the Australian National University respects the rights and benefits of its staff and students. In addition, the University respects the rights and benefits of its collaborators and partners, including those of Aboriginal and Torres Strait Islanders in Australia and those of the citizens of other countries in international collaborative research.

2. Policies and Definitions

2.1 The University has six policies and a manual that, *inter alia*, are relevant to the ownership, reporting and development of IP, and the sharing of the benefits of commercialisation, as shown in Figure 2

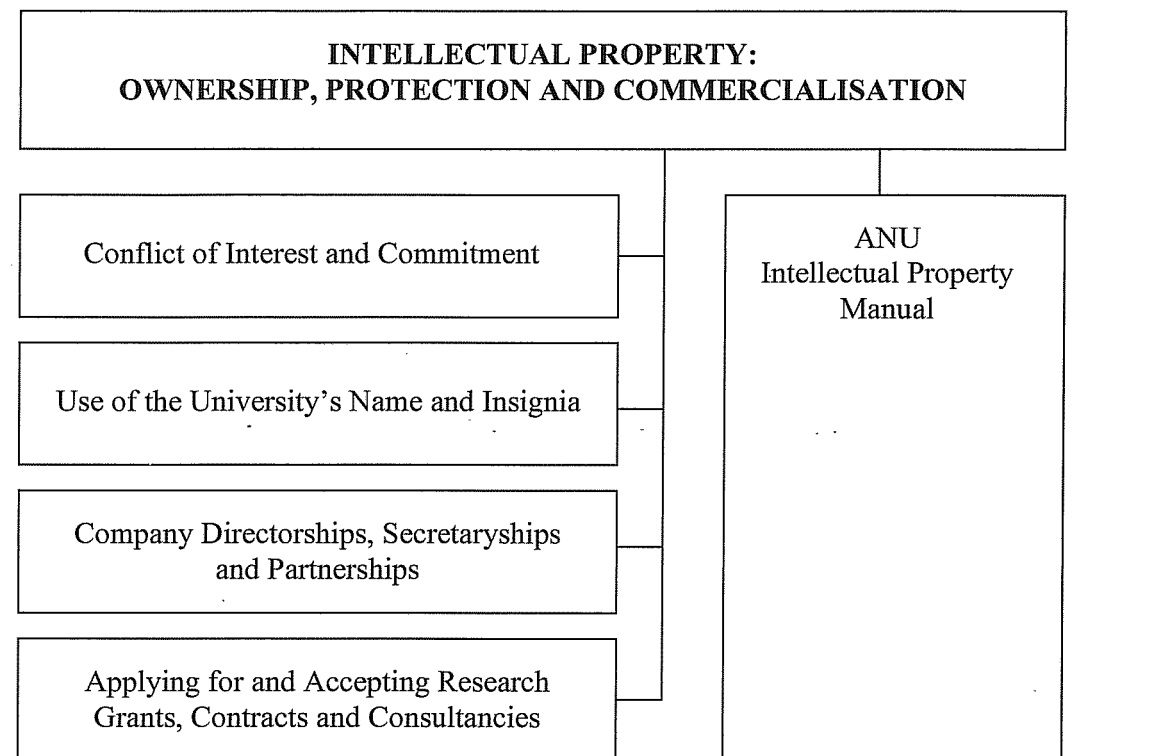


Figure 2. The intellectual property framework

2.2 The purpose of each of these policies is:

- *Intellectual Property: Ownership, Protection and Commercialisation* (200203950) (this Policy). To manage IP at the University; to deal with matters relating to ownership of IP generated by staff and students and visitors; to set out the principles and procedures for the disclosure, protection, transfer and commercialisation of the University's IP, and the management of the University's IP portfolio.
- *Policy on Externally funded Grants, Consultancies and Contracts* (200302090). To deal with matters relating to staff undertaking work which is funded by external organisations through grants, contracts and consultancies.
- *Company Directorships, Secretaryships and Partnerships* (200003950). To set out the principles, policy and procedures established for approving the taking up of company positions by University staff.
- *Conflict of Interest and Commitment* (200301368). To set out the definitions, key principles and standards the University has established in relation to conflict of interest or commitment.

- *Use of the University Name and Insignia* (200104911). To set out the key principles relating to use of the University's name and insignia.
- *ANU Intellectual Property Manual* (1305b/2002). To set out the procedures and management processes, forms and other details necessary for the implementation of the University's policies on Intellectual Property, technology transfer and conflict of interests raised by these activities.

2.3 A Glossary of definitions is at Attachment A.

3. Confidential Information

3.1 Staff, students and visitors of the University may receive information concerning research undertaken by other persons at the University. Information about research that is yet to be published, or otherwise yet to become publicly available, is confidential information. Staff, students, visitors or other members of the University are not to disclose such confidential information outside of the University without the consent of the person who has undertaken the research and/or pursuant to the terms of this policy.

4. Ownership of IP Created by Staff Members

4.1 University Ownership

4.1.1 The University owns all IP created by a staff member involved in any activity carried out in whole or in part pursuant to the terms of their employment with the University, but grants rights to staff members over some of that IP, in accordance with the provisions of this clause 4 and the principles, terms and conditions contained in Appendix D.

4.2 Grant of Staff Ownership of Course and Research Copyright

4.2.1 Subject to Clause 4.2.2, the University grants ownership of copyright to a staff member in any work that was created and developed by them with the primary intention of it being used for teaching a course or to demonstrate their research and study activities, including, without limitation, copyright in a journal article, conference paper, proceeding or text (*'Exempt IP'*).

4.2.2 Without limiting the extent of sub-clause 4.2.1, the University will own copyright in any work that:

- (a) is a computer program, and any literary works that are incorporated in or associated with those computer programs whether or not the literary work is essential for the effective operation of the computer program; or
- (b) comprises a database or compilation of independent works, information, data or other materials that are arranged in a systematic or methodical way, and are individually accessible by electronic or other means; or
- (c) comprises a program outline, curriculum or other form of degree or program structure; or
- (d) comprises course materials, or other works, commissioned by or created at the express request or direction (or arising out of such an activity) of the University;

or

- (e) in the absence of an agreement to the contrary, was generated from a research project funded by any agency external to the University.

4.2.3 Any staff member who owns Exempt IP pursuant to Clause 4.2.1 grants to the University a royalty-free (including right to sub-licence) licence to use the Exempt IP in certain circumstances for the purposes of teaching or research. This licence:

- (a) where the Exempt IP comprises part of the materials that are needed to teach a course in which there are currently enrolled students, provides the University with an exclusive right to use the Exempt IP until the conclusion of that course;
- (b) is otherwise governed by the principles, terms and conditions of use outlined in Appendix D; and
- (c) where the Exempt IP is a work of joint authorship as defined in section 10 of the *Copyright Act 1968* (Cth), does not confer on the University any additional rights to deal with the Exempt IP except as a joint author.

4.2.4 The sharing of commercial benefits with staff members in accordance with the University's policy *Intellectual Property: Ownership, Protection and Commercialisation* (200203950) Appendix C does not apply to any use of employment materials as an aid or tool for instruction in a course.

4.3 Staff Background IP

4.3.1 Staff may have an interest in IP created by or assigned to them prior to taking their position with the University ('Background IP'). If the originator wishes to develop such Background IP at the University, the originator must declare ownership of that Background IP before doing so. Such a declaration is to be made to the Dean or Director of the School, Faculty or Centre to which the staff member is attached and should include:

- (a) a description of the IP,
- (b) the names of any co-owners or others who have a legal interest in the Background IP, and
- (c) any restrictions on the use of the Background IP.

4.3.2 After making this declaration the further use of the Background IP by the University will be governed by:

- (a) A licence from the staff member or other owners negotiated by the Office of Commercialisation to govern the use of the Background IP and the ownership of and rights to any developments of the Background IP, or
- (b) The background IP will not be able to be used by the staff member while at the University if other co-owners do not consent to such a use, or
- (c) If there are no other owners and the staff member consents to the assignment of the Background IP to the University then the University will own the IP and its further use, and commercial development will be governed in accordance with this policy.

4.4 Staff undertaking research visits to other institutions

4.4.1 Subject to any written agreement to the contrary approved by the University prior to the commencement of undertaking research at another institution, the provisions regarding ownership of IP set out in this Policy will continue to apply to University staff who are participating in collaborative research at another university or research institution.

4.4.2 Any IP developed during periods of collaborative research visits must be disclosed to the Office of Commercialisation in accordance with the disclosure requirements set out in Part B of this Policy. Staff must inform the Office of Commercialisation prior to any disclosure being made to the visited institution and must ensure that the visited institution contacts the Office of Commercialisation immediately to commence negotiations regarding protection and commercialisation of the IP.

4.5 Photocopying and Republication Royalties

4.5.1 University staff are entitled to join the Copyright Agency Limited (CAL), the collecting society appointed to administer the educational and government copying schemes under the *Copyright Act 1968*. Membership entitles CAL members to receive royalties for the use of their works. Where staff members elect not to join CAL, the University is entitled to collect and retain the royalties collected by CAL. Any royalties collected by the University pursuant to this clause will be retained in central funds and used to supplement future CAL fees payable by the University for its statutory copyright licence.

4.6 Leaving University Employment

4.6.1 Where a staff member leaves the employ of the University and wishes to conduct further research or develop any Intellectual Property that is not Exempt IP, the University may permit a transfer of that Intellectual Property to the staff member or a new employer of the staff member. When considering whether, or on what terms, to permit a transfer of the Intellectual Property all relevant factors will be considered, including:

- (a) whether other staff at the University have an interest in the Intellectual Property for the purposes of continuing research, other commercial opportunities or other legitimate interests;
- (b) whether the research or educational outcome of any student relies upon the Intellectual Property;
- (c) whether the University requires the Intellectual Property to run courses or other study programs;
- (d) whether the Intellectual Property is otherwise integral to operations of the University in the opinion of the Deputy Vice Chancellor (Research);
- (e) the extent to which University resources have been used to develop the Intellectual Property;
- (f) the extent to which the University or the Office of Commercialisation have granted any rights to the Intellectual Property to third parties;
- (g) the public interest, if any, in the University either retaining the Intellectual

Property or transferring the Intellectual Property to the personal body requested by the staff member;

- (h) any proposed commercial or other benefits that might flow to the University as a result of the transfer of the Intellectual Property;

4.6.2 The decision of the Deputy Vice-Chancellor (Research) on whether to transfer Intellectual Property is final.

5. IP Created by Students

5.1.1 Subject to Clause 5.2, the University offers options for students to assign, licence or otherwise transfer their IP to the University in return for professional management and marketing of their IP, and benefits equivalent to those received by a staff member.

5.2 Ownership

5.2.1 The University does not own IP created by a student, unless:

- (a) prescribed otherwise by law, or
- (b) the student assigns that IP to the University or licences the development of that IP to the University in accordance with this Policy, or
- (c) the student has developed the IP directly in the course of working as a staff member of the University, in which case the provisions of Section 4 apply.

5.2.2 Nothing in this policy shall restrict the rights of students to have their theses or other forms of assessment submitted for examination or to be subject to any constraints on the examination process other than by agreement with the student and the Deputy Vice-Chancellor (Education).

5.2.3 Where IP of the University is contained in the contents of any material submitted to external examiners the University may require an external examiner to keep confidential the IP where that is necessary to enhance or preserve the value of the IP.

5.2.4 Where IP of the University is contained in a student's thesis or other examinable material and the student wishes to publish an article containing the IP the student will not publish an article until the University has had an opportunity to obtain IP protection, with publication being delayed by up to ninety (90) days following notification to the Office of Commercialisation of the desire to publish the University IP, or such further period as determined by the Deputy Vice-Chancellor (Research).

5.3 Assignment

5.3.1 Notwithstanding any other provision of this Policy a student cannot be required by the University to assign his or her IP:

- (a) in order to qualify for enrolment, or to remain enrolled in a course, or to complete the requirements of a course in which he or she has enrolled, under any circumstances, or
- (b) where that student is engaged in or otherwise participates in any third party activity, unless that student does so freely and with consent.

Subject to the provisions of any prior agreement between the student and the University, where a student creates IP jointly with a staff member or a visitor, the University will negotiate with that student to develop the IP.

5.3.2 Subject to 5.3.1(a), if a student wishes to participate or continue to participate in any third party activity or in any activity that has created, or may in the future create, IP that may be the subject of development ('Activity') then, before that student is permitted to begin that Activity or to continue to participate in that Activity:

- (a) the University may, as a condition of the student participating in that Activity, require the student to:
 - (i) assign his or her IP, and
 - (ii) give consent with respect to any Moral Right subsisting in a work,
 - (iii) grant an entitlement to use or disclose any confidential information he or she may have the right to use or disclose,
 - (iv) warrant that he or she is not in breach of any obligations of confidence or other IP rights in participating in the Activity;

to the extent that any of these relate to or affect the Activity concerned;

- (b) it is the responsibility of (as the case may be):
 - (i) the person who is in charge of that Activity (for example, the chief researcher); and
 - (ii) the student's supervisor,

to notify the student about all requirements for participating in that Activity including, without limitation and in particular:

- (a) any requirement to assign that student's IP or give consent in relation to any Moral Right he or she may have in the relevant work, and
- (b) especially where a student is required to assign his or her IP or give consent in relation to any Moral Right he or she may have in a work, a recommendation that the student should seek advice (which may include legal advice),
- (c) alternative project and supervision options for the student's thesis, if the student decides not to participate in the Activity, ensuring that the student, in pursuing the alternative non-Activity based project is at no disadvantage academically than if they were to participate in the Activity.

5.3.3 If a student is required to do any thing under Clause 5.3.2, then that student should be given a reasonable period ('Response Deadline') to review all documentation and seek appropriate advice (including legal advice), which in most cases should not be less than thirty (30) days. The person in charge of the Activity will ensure that funds are available, if requested, to meet reasonable costs of independent legal advice for the student, as determined by the Deputy Vice-Chancellor (Research) on the advice of the University Solicitor.

5.3.4 Subject to 5.3.1(a), if a student does not agree to do any thing required under Clause 5.3.2, or else does not respond to a request to do so, on or before the Response Deadline, then the Deputy Vice-Chancellor (Research) may decline to permit the student to participate in that Activity.

5.3.5 If a student transfers his or her IP under Clause 5.3.2, the University will pay any stamp duty assessable on any instrument that the University deems necessary to give effect to that assignment.

5.4 Student Background IP

5.4.1 Students of the University may have an interest in IP created by or assigned to them prior to enrolling at the University ('Background IP'). If the originator wishes to develop such Background IP at the University, the originator must declare ownership of that Background IP before doing so. Such a declaration is to be made to the Dean or Director of the School, Faculty or University Centre in which the student is enrolled and should include:

- (a) a description of the IP,
- (b) the names of any co-owners or others who have a legal interest in the Background IP, and
- (c) any restrictions on the use of the Background IP.

5.4.2 After making this declaration the further use of the Background IP by the University will be governed by:

- (a) The Background IP will not be able to be used by the student while at the University if other co-owners do not consent to such a use, or
- (b) If there are no other owners and the student consents to the assignment of the Background IP to the University then the University will own the IP and its further use and commercial development will be governed in accordance with this policy.

6. Ownership of IP created by Visitors

6.1. As a condition of any visitor:

- (a) having access to and use of any University facilities, equipment or accommodation,
- (b) having access to and use of any IP of the University, or
- (c) participating in any teaching or research activities of the University (including any third party activity),

the University, in granting the 'Visitor Privilege' defined in (a) to (c) may require that visitor to do one or more of the following:

- (i) sign a confidentiality agreement on terms acceptable to the University;
- (ii) disclose to the Office of Commercialisation, within 14 days of its creation, full details of any IP created by that visitor and arising from the visitor being granted those Visitor Privileges;
- (iii) do all things and sign all instruments necessary to assign to the University, or another person designated by the University, any IP created by that visitor arising from that visitor being granted any Visitor Privileges; and
- (iv) give consent in relation to any Moral Right he or she may have in the relevant work.

6.2 Assumption

6.2.1 Visitors to the University must sign an appropriate agreement covering Clauses 6.1 (i) to (iv), as applicable, before commencing work at the University. In the absence of such an agreement, or unless and until the University gives a visitor notice under Clause 6.1, a visitor is entitled to assume that the University:

- (a) makes no claim in respect of any IP, and
- (b) does not require the consent of the visitor in relation to any Moral Right he or she may have in any work,

that the visitor creates in respect of any research conducted by the visitor using any Visitor Privileges, subject to continued observation of Clause 6.1.(ii).

6.2.2 A visitor who has transferred IP rights to the University will receive benefits equivalent to those received by a member of staff.

6.3 Visitor Background IP

6.3.1 A visitor of the University may have an interest in IP created by or assigned to them prior to their visit to the University ('Background IP'). If the originator wishes to develop such Background IP at the University, the originator must declare ownership of that Background IP before doing so. Such a declaration is to be made to the Dean or Director of the School, Faculty or Centre to which the visitor is attached and should include:

- (a) a description of the IP,
- (b) the names of any co-owners or others who have a legal interest in the Background IP, and
- (c) any restrictions on the use of the Background IP.

6.3.2 After making this declaration the further use of the Background IP by the University will be governed by:

- (a) A licence from the visitor or other owners negotiated by the Office of Commercialisation to govern the use of the Background IP and ownership and rights to any developments of the Background IP, or
- (b) The background IP will not be able to be used by the visitor while at the University if other co-owners do not consent to such a use, or
- (c) If there are no other owners and the visitor consents to the assignment of the Background IP to the University then the University will own the IP and its further use and commercial development will be governed in accordance with this policy.

7. Ownership of IP of Persons Granted Academic Status by the University

7.1 The ownership of IP created by persons granted academic status will be determined on the basis of the agreement under which the academic status is awarded under the University's policy *Academic Status (Full, Clinical, Adjunct)* (200203236). In the absence of specific agreement to the contrary, ownership of IP created by persons granted academic status shall be as described in Clause 6.

PART B. DISCLOSURE, PROTECTION AND COMMERCIALISATION

8. Invention Disclosure

8.1 Staff or students who have developed intellectual property in the course of their work must complete the Invention Disclosure Form contained in the ANU Intellectual Property

Manual (1305a/2002), and follow the obligations outlined in this policy. A copy of the form should be forwarded to the Dean or Director of their School/ Faculty/College and to the Office of Commercialisation.

8.2 Within thirty (30) days of receipt of an Invention Disclosure Form, Office of Commercialisation staff will contact the staff member to discuss the invention and the potential for protection of intellectual property rights as well as the development of a commercialisation strategy. If disclosure of the invention is imminent (ie within 3 weeks) the staff member should advise the Office of Commercialisation immediately so that the matter can be prioritised appropriately.

8.3 The information provided to the Office of Commercialisation will be used to determine the appropriate course of action with respect to IP protection and commercialisation. Upon receipt of the Invention Disclosure Form, the Office of Commercialisation will undertake a preliminary patent and literature search to determine the patentability of the invention. An assessment will also be made regarding the commercial viability of the proposed application.

8.4 The Office of Commercialisation will provide a written report of the outcomes of the assessment to the staff member and the Dean/ Director.

8.5 The factors relevant to a decision by the Office of Commercialisation on whether the University should take action to protect its IP include:

- (a) the effect on the University's research program,
- (b) the advice of the Originator(s) of the IP,
- (c) whether protection will be of value to the development and subsequent industrial application of the IP,
- (d) whether there is a possibility of others obtaining protection of commercially valuable IP incorporating the results of work carried out in, and owned by, the University,
- (e) whether protecting the IP will increase its value as a means to attract support for further research and development by the University and/or to provide income to the University, its staff and any students involved,
- (f) whether such action is desirable for protecting the University's reputation or maintaining the University's interest in the quality and technical efficiency of production, and
- (g) whether such action is desirable in the national interest.

8.6 If the Office of Commercialisation decides that it wishes to protect reported IP, then it will notify:

- (a) the staff member concerned, and
 - (b) the relevant Dean or Director;
- and proceed in accordance with this policy.

The staff member will provide all necessary assistance to the Office of

Commercialisation and the University to enable the IP to be protected.

8.7 If the University:

- (a) has not made a decision within 12 weeks or a longer mutually agreed period, or
- (b) decides it does not wish to protect the reported IP, then the Originator(s) is free, at his or her own cost, to protect or develop the reported IP in any manner he or she chooses.

8.8 The University's decision not to proceed does not prejudice any right of the University to:

- (a) claim a share in any commercial benefit received from exploitation of that IP; or
- (b) recover any costs incurred by the University unless that right is expressly waived by the Vice-Chancellor in writing.

9. Registration of IP Rights

9.1. Patents

9.1.1 If the Office of Commercialisation recommends and the Dean or Director and Deputy Vice-Chancellor (Research) agree to proceed with IP protection:

- (a) the Office of Commercialisation will discuss with the staff member the requirements for filing the application and the timeframe for submission of the application,
- (b) the Office of Commercialisation will be responsible for preparation and submission of the application, with the assistance of the staff member and external patent attorneys,
- (c) approval for filing of any patent application will be obtained prior to submission in accordance with the requirements set out in Appendix A, and
- (d) the cost of filing the application will be borne in accordance with Appendix A.

9.2. Trademarks & Registered Designs

If the Office of Commercialisation advises the staff member and the Dean or Director that a trademark or registered design is considered appropriate:

- (a) the Office of Commercialisation will be responsible for preparation and submission of the application, with the assistance of the staff member and external attorneys,
- (b) approval for filing of any application will be obtained prior to submission in accordance with the requirements set out in Appendix A, and
- (c) the cost of filing the application will be borne in accordance with Appendix A.

10. Registration of IP Rights Through Other Entities

10.1 Collaborative or cooperative organisations, such as Cooperative Research Centres may have independently established procedures for registration of IP rights.

10.2 Where an invention is made within those organisations or structures staff members are required to use the established procedures of those organisations or structures.

10.3 Staff members are requested to send a copy of any relevant documentation to the Office of Commercialisation to ensure that the University's IP portfolio databases are maintained, unless a waiver from this requirement is provided by the Deputy Vice-Chancellor (Research) owing to any binding contractual or other legal restriction, for example commercial-in-confidence considerations.

11. Termination of Patent Applications and Granted Patents

11.1 The Office of Commercialisation, on behalf of the University, is responsible for managing the University's IP portfolio.

11.2 On a regular basis (at least every 12 months) the Office of Commercialisation will review the active patents and report to the Dean/ Director of the relevant School/ Faculty/College and to the Deputy Vice-Chancellor (Research) regarding:

- (a) the costs incurred on individual patents,
- (b) commercial agreements associated with the patent, and
- (c) a recommendation for maintenance/ termination of the patent.

11.3 The right to maintain, defend or terminate a patent application or patent rests solely with the University, as exercised by the Deputy Vice-Chancellor (Research) on the advice of the Office of Commercialisation.

11.4 If termination of an application or granted patent is recommended, approval will be obtained, prior to termination, in accordance with the requirements set out in Appendix A.

11.5 Where the University approves termination of patent protection the IP rights will be offered to the Originators in accordance with Clause 8.7(b) including acceptance of all registration, maintenance and defence costs and subsequent liabilities. The University reserves the right to recover its costs up to the time of transfer.

12. Commercialisation of University Intellectual Property

12.1 The University reserves the sole right to negotiate and determine arrangements relating to commercialisation of University-owned IP protected in accordance with Sections 8 and 9. Those arrangements might involve licensing on an exclusive or non-exclusive basis to a third party, assignment of patent rights, or agreeing to the establishment of spin-off or start up companies. Full details of the procedures followed by the University are given in the ANU Intellectual Property Manual.

In determining its position the University, represented by the Deputy Vice-Chancellor (Research), will:

- (a) take into account the views of the staff involved, but will make a final decision which will be binding on the relevant staff,
- (b) deal with IP in such a way as to return the greatest possible benefit to the University,

- (c) not acknowledge warranties, verbal commitments, contracts or other arrangements made by staff with external parties involving the disposition of IP without the express prior written agreement or authorisation of the Vice-Chancellor or his authorised representative.

12.2 Each case for commercialisation of University IP will be dealt with on its own merits. The case will be considered in terms of:

- (a) the *business case* i.e. the likely financial returns to the University;
- (b) the *University community case* i.e. the wider non-financial return to the University;
- (c) the *general community case* i.e. the non-University community financial and/or non-financial considerations.

12.3 The Office of Commercialisation will seek to complete all relevant decision making processes with respect to commercialisation within three months.

13. Consultancies and Research Contracts

13.1 The University will not be bound by warranties, verbal commitments, contracts or other arrangements made by staff with external parties involving the disposition of IP without the express prior written agreement or authorisation of the Vice-Chancellor or his authorised representative.

13.2 Consulting activities are governed by the Policy on *Externally-funded Grants, Consultancies and Contracts (200302090)*.

13.3 Individual consulting activities are governed by the Policy on *Undertaking Individual Consultancies and Professional Practice (52 day rule) (200503396)*.

13.4 Research contracts are governed by the Policy on *Externally-funded Grants, Consultancies and Contracts (200302090)*. The Office of Commercialisation should be consulted in instances where research contracts may involve aspects of commercialisation.

14. Spin-Off Companies and New Entities

14.1 Staff are not permitted to sit on the Board of Directors of a spin-off company or new entity, in which they have a Significant Financial Interest, while an employee of the University unless the Finance Committee has approved their holding that Board position. *Company Directorships, Secretaryships and Partnerships (200203950)* sets out the University policy and the approval required for a staff member to hold such a position.

14.2 Staff who have equity in a company:

- (a) must comply with the provisions of the University's policy on *Conflict of Interest and Commitment (200301368)*;
- (b) must have a written agreement before using University facilities on behalf of the company (including in the 52 Day Rule period); and
- (c) must lodge an annual declaration setting out work done during the year on behalf of the company and use of University facilities.

14.3 Where a student is involved in research designed to benefit a spin-off company or new entity, the involvement must be regulated by a contract entered into prior to the

commencement of the research activity. The contract should be prepared and endorsed by the Dean of the relevant College and forwarded to the Deputy Vice Chancellor (Research) for approval.

14.4 The University, as an institution, may choose to nominate a representative to a Board of a spin-off company where appropriate.

14.5 The University may license, or otherwise transfer, University IP to a spin-off company or other new entity on the basis of:

- (a) the submission to the University of a business proposal that is acceptable to the University,
- (b) the new entity demonstrating the ability to secure sufficient capital to reach key research and operational milestones as defined in the business proposal,
- (c) any employee of the University, or a near relative, who is a shareholder, director or officer, of the new entity must have previously cleared all real and perceived conflicts of interest to the satisfaction of the University in accordance with the University's policy on *Conflict of Interest and Commitment (2003 01368)* and have obtained the appropriate approvals in accordance with *Company Directorships, Secretaryships and Partnerships (200203950)*; and
- (d) the new entity agrees to issue equity to the University, which reflects the fair price for the technology.

14.6 The University's share holding in the new company will be negotiated by the Office of Commercialisation and the terms of the transfer will not be an 'equity only' agreement except under special circumstances.

15. Distribution of Benefits

15.1 The University will share the financial benefits of exploitation of IP with Originator(s) who have assigned their IP to the University. Financial benefits are apportioned to the University and other parties once an initial threshold of \$20,000 return has accrued to the originator(s).

15.2 'Net Income' will be distributed to the Originator(s) in accordance with Appendix C provided that an Originator(s), or member of their close family, does not receive a personal financial benefit from having a Significant Financial Interest in an entity associated with the IP.

15.3 'Net Income' is calculated as the gross income received less:

- (a) expenses incurred in registering and maintaining the relevant IP;
- (b) expenses directly associated with the commercialisation of the IP, including marketing, materials and travel, and legal costs, as determined on a project by project basis; and
- (c) payment of 1% of the gross revenue per annum to be paid to the Intellectual Property Fund maintained by the Office of Commercialisation for Intellectual Property Litigation purposes.

15.4 If it is not practicable to distribute Net Income of a non-monetary kind in accordance with section 15.2, then the University, after first consulting with the Originator(s), may determine a mechanism for distributing Net Income by some other means, which may include, without limitation, the University holding Net Income in trust for the Originator(s).

15.5 Where more than one Originator is involved in developing the relevant IP, the

University will deal with them collectively and Net Income will be distributed according to the individual contribution of each Originator to the IP, unless those Originators agree otherwise.

15.6 It is the responsibility of the Originators to establish and agree on their relative contributions to the IP and the consequent sharing of the Originators' portions of the Net Income.

15.7 The University may approve changes to the distribution in Appendix C following periodic review and may determine an alternative formula for special cases if required, on the advice of the Deputy Vice-Chancellor (Research).

15.8 An Originator's entitlement to share financial benefits under this policy remains in place after the Originator leaves the University, unless otherwise negotiated.

16. Commercialisation not Managed by the Office of Commercialisation

16.1 In exceptional cases, if the Office of Commercialisation and the Originator(s) do not agree that the Office of Commercialisation should manage the commercialisation of the IP, the Originator(s) may apply in writing to the Vice-Chancellor through the relevant Dean or Director for permission to conduct the commercialisation of the IP through other channels.

16.2 If the commercialisation of IP is to proceed through other channels the Vice-Chancellor will determine what policies or procedures are to be followed but will generally model those policies and procedures upon those contained in this policy.

16.3 Consideration of such proposals will only be given in exceptional circumstances. The application must provide sufficient information to allow for an exploration of:

- (a) the feasibility of proceeding in this manner,
- (b) the qualities of any proposed partner,
- (c) the benefits of the activity to the University and the wider community; and
- (d) the proposed terms of the deal.

16.4 Until an agreement is made, all costs and other administrative overheads in developing non-Office of Commercialisation proposals for commercialisation are to be met by and managed in the Originator's area.

16.5 In reaching a decision, the Vice-Chancellor may seek the advice of an Advisory Group, convened for the purpose.

16.6 If the Vice-Chancellor gives permission for the activity to proceed without the involvement of the Office of Commercialisation, sign-off for execution of the relevant agreements by the Vice-Chancellor must be obtained prior to submission in accordance with Appendix B.

16.7 In these circumstances, the University will also require an agreement with the Originators(s) to the effect that the income from the commercialisation of the Intellectual Property will be distributed in accordance with this policy.

17. University Decides not to Proceed with Commercialisation

17.1 Where the University determines not to proceed with commercialisation, or incur no further expense, in relation to particular IP, the Originators may apply for or continue commercialisation at their own expense.

17.2 In this event, the University may assign or licence its rights in the IP to the relevant

Originators on fair terms, taking into account costs incurred by the University up to that date.

17.3 Applications for the University to assign or licence its rights in the IP to the Originators under these circumstances, and the terms that are to apply, may be approved by the Deputy Vice-Chancellor (Research) on the recommendation of the Office of Commercialisation and the Dean or Director of the area concerned.

PART C. GENERAL PROVISIONS

18. Dispute resolution

18.1 Inapplicability of Policy

Clause 18.2 does not apply to disputes:

- (a) normally dealt with pursuant to the University's Guidelines for *Responsible Practice of Research (200402935)* as amended from time to time, or
- (b) Pursuant to Clause 16,
- (c) involving Third Party Agreements, unless all parties to those Third Party Agreements first agree to be bound by the procedure set out in it.

18.2 Procedure

18.2.1 If an originator has any concerns about the manner in which this Policy is interpreted or applied to their circumstances ('Dispute'), then that person may notify:

- (a) any other originators involved in the same research that is the subject of the Dispute, and
- (b) the Director of the Office of Commercialisation

about that Dispute. Any notice given under this Clause must be in writing and must specify full details of the Dispute.

18.2.2 The Director of the Office of Commercialisation as the officer notified in 18.2.1 (b) must, within thirty (30) days of receiving a notice under Clause 18.2.1, convene a meeting between all persons notified of a Dispute in order to try and resolve that dispute.

18.2.3 If:

- (a) a meeting is not convened under Clause 18.2.2 within the deadline specified; or
- (b) a meeting is convened under Clause 18.2.2, but the Dispute is not resolved within thirty (30) days of convening it,

then the party who gave notice under Clause 18.2.1 or the Officer notified in 18.2.2 (b) must refer the Dispute to the Deputy Vice-Chancellor (Research), giving full details of the Dispute and any attempts to resolve it. The Deputy Vice-Chancellor (Research) shall convene a Dispute Resolution Advisory Group within thirty (30) days to conduct an inquiry into the Dispute.

18.2.4 A Dispute Resolution Advisory Group convened under Clause 18.2.3 shall comprise:

- (a) the Director, Research Office, who will be Chair;
- (b) the University Solicitor (or nominee);

- (c) the Dean or Director of the originator's academic area (or nominee);
- (d) a nominee of the originator(s); and
- (e) any other person appointed by the Deputy Vice-Chancellor (Research).

18.2.5 A Dispute Resolution Advisory Group convened under Clause 18.2.3 must consider any Dispute referred to it by the Deputy Vice-Chancellor (Research) and provide advice to the Deputy Vice-Chancellor (Research) of a proposed means of resolving the Dispute, within thirty (30) days of it being so referred.

18.2.6 The Dispute Resolution Group shall, subject to this policy, determine how it will conduct its deliberations, including whether it will invite written submissions from any of the parties to the Dispute or whether it will seek independent expert advice on any issue. After referral to the Dispute Resolution Group and in exceptional circumstances, where the Deputy Vice-Chancellor (Research) believes it would be of assistance in resolving a complex dispute, the Deputy Vice-Chancellor (Research) may provide assistance to enable an originator to seek independent advice on preparation of any submissions to the Dispute Resolution Group.

18.2.7 The Deputy Vice-Chancellor (Research) shall consider the advice of the Dispute Resolution Advisory Group, but is not bound by the advice. The Deputy Vice-Chancellor (Research) may put the proposed resolution to the parties to the Dispute to seek submissions from them before making a decision.

18.2.8 The decision of the Deputy Vice-Chancellor (Research) on the resolution of the Dispute shall be in writing and is final and binding on all parties to the Dispute.

19. University Research Committee

19.1 The University Research Committee is responsible for the oversight of and advice on research, research training, IP and technology transfer.

19.2 The Research Committee will form an IP and Technology Transfer working party as and when required to consider and advise the Deputy Vice-Chancellor (Research) on:

- (a) the further development and application of relevant ANU policies,
- (b) specific commercialisation proposals,
- (c) the Office of Commercialisation and its strategic development,
- (d) practical development of the *ANU IP Manual*, and
- (e) objective, targets and indicators for ANU commercialisation.

20. Transition

This Policy applies to any IP created after the date on which this Policy takes effect, unless otherwise agreed by the Deputy Vice-Chancellor (Research) on a case-by-case basis.

21. Conflict of Interest

21.1 Staff and students must abide by *Conflict of Interest and Commitment (200301368)*.

GLOSSARY

52 Day Rule is the rule described in Clause 1.3 of the *Policy on Applying for and Accepting Research Grants, Contracts and Consultancies* (1299/2002);

ANU Enterprise Pty Ltd is a fully owned subsidiary company of the University.

Background Intellectual Property is that Intellectual Property (IP) that exists before an activity takes place;

close personal relationship means a relationship with persons who are relatives, other financially dependent persons, a de facto partner (defined as a person who has committed to a long term personal relationship with another person of the same or opposite gender) or any person with whom there is currently, or has been, an intimate relationship. It is not intended that relationships which exist due to ordinary collegiate academic collaboration fall into this category;

commercial benefit means any benefit that the University receives (whether income, in-kind or otherwise) from the development of Intellectual Property;

commercialisation is the process of gaining financial benefit and, in the present context, the financial benefit is gained from the IP of the ANU. *Commercialisation* includes protecting, managing and developing the commercial value of IP and research, most commonly through the creation of linkages with industry and the creation of commercial enterprises linked by formal legal agreements to the ANU;

computer program has the meaning ascribed to it by s10 of the *Copyright Act* 1968 (Cth);

conflict of commitment means a situation where the private interests or non-University activities harm or interfere with the productivity and involvement of University staff. This refers to an individual's distribution of effort between employment obligations to the University and to outside professional activities. In this policy "conflict" or "conflict of interest" includes a conflict of commitment;

conflict of interest means a situation where the private interests of a University staff member influence or compromise the conduct of that staff member in the conduct of their activities at the University, including when making decisions, determining research directions or unduly influencing relationships between that person and their colleagues and students. Apparent conflicts may undermine trust and be as damaging as an actual conflict;

confidential information means all trade secrets and know-how, financial information and other commercially valuable information of whatever description and in whatever form (whether written or oral, visible or invisible) but excludes the interpretation, analysis and application of general information in the public domain. It may include information that is by its nature confidential or is divulged in circumstances which imply it is confidential;

costs mean any amount (including, without limitation, any Australian or foreign taxes, charges or other imposts, or any legal costs) the University incurs to protect or develop Intellectual Property;

course means any discrete entity of study in a program delivered by or on behalf of the University to any student;

create means to produce, invent, design, enhance, generate, discover, make, originate or otherwise bring into existence (whether alone or with another person) and **creation**

has a corresponding meaning;

creative works are artistic, musical, or dramatic works created, composed, performed, or recorded by staff or students of the University;

develop (and, by extension, **development**) means, in relation to Intellectual Property, to make the most of it by any means (whether alone or with another person) for commercial or non-commercial purposes including, without limitation, to make available, apply, publish, exhibit, transmit, enhance, use, assign, license, sub-license, franchise, adapt or modify Intellectual Property;

Dean or Director means a person who is designated as head of a Research School, University Centre, or Faculty;

employment material means any thing created in any medium by a staff member in pursuance of the terms of his or her employment with the University (but regardless of whether this occurs under a specific direction to do so) as an aid or a tool for instruction in a course;

Exempt IP means work that is not of a kind referred to in Clause 4.1.2 and that was created and developed by a staff member with the primary intention to be used for teaching purposes or to demonstrate the research and study activities of those staff members, including, without limitation, copyright in a journal article, conference paper, creative work or proceeding or text;

external entity means any corporation, partnership, sole proprietorship, firm, franchise, association, organisation, company, business, or any other legal entity organised for profit, that is not the University or an entity controlled by the University, or a governmental entity;

financial interest means any right, claim, title or legal share in something having a monetary or equivalent value. Examples of Financial Interests include, but are not limited to, shares, share options, and the right to receive remuneration, such as salary, consulting fees, allowances, discounts and the like. Excluded from this definition is an interest arising solely by reason of investment by a mutual, pension or other institutional investment fund over which the University staff member does not exercise control;

Intellectual Property (IP) includes any discovery, innovation, other inventive step or other development of other intellectual property that is capable of identification for the purposes of a commercialisation, publication or other similar activity whether capable of protection by way of patents, trademarks, copyright, circuit layouts, plant varieties, trade practices, and design legislation or not, but does not include any moral rights;

infringement means the use of IP rights falling within the scope of another person's rights;

inventor means someone whose involvement and contribution was essential to the development of the Intellectual Property;

moral right has the meaning ascribed to that term in the *Copyright Act 1968* [as amended by the *Copyright Amendment (Moral Rights) Act 2000*] and recognises three types of moral rights:

- (a) an author's right to be identified as the author of a work – known as the right of attribution of authorship;
- (b) the right of an author to take action against false attribution – known as the right not to have authorship of a work falsely attributed; and

(c) an author's right to object to derogatory treatment of his or her work that prejudicially affects his honour or reputation – known as the right of integrity of authorship of a work;

originator means a staff member, student or visitor, who creates Intellectual Property that is subject to this Policy regardless of whether he or she creates the relevant Intellectual Property alone or jointly with another person;

patent means a right granted for any device, substance, method or process, which is new, inventive and useful. It is legally enforceable and gives the owner the exclusive right to commercially exploit the invention for the life of the patent. Patents must be applied for, and all applications are examined to ensure they meet the necessary legal requirements for granting a patent. Patents give effective protection if you have invented new technology that will lead to a product, composition or process with significant long-term commercial gain. You cannot patent artistic creations, mathematical models, plans, schemes or other purely mental processes;

PCT means Patent Cooperation Treaty which is the international treaty that allows filing of a single international patent application for protection in approximately 200 countries;

protect means any thing done or that is necessary to do to protect a claim in connection with Intellectual Property and includes, without limitation, registration anywhere in the world or enforcement or assertion of that Intellectual Property in any legal proceedings;

reported Intellectual Property means any Intellectual Property reported by a staff member under the provisions of the University's Intellectual Property Policy;

School, Centre or Faculty, College means a Research School, University Centre, Faculty, or College of the University;

significant financial interest means:

A staff member or those with a *close personal relationship* with that staff member

- (i) holding a remunerated management or scientific advisory position in an External Entity;
- (ii) the option to obtain equity or the close proximity of equity in a potential External Entity; or
- (iii) a long-term exclusive or otherwise significant consulting arrangement with an External Entity in a contractual relationship with the University (for example, where the researcher receives an annual income in excess of \$10,000 from such an entity).

An equity position will not be considered a significant financial interest unless:

- (i) the equity represents a significant share in the External Entity (in general, a holding of over 5% of the company's shares would be presumed to be significant; holdings of less than 5% will require case-by-case consideration); or
- (ii) the proposed license or the inventor's future research is likely to have a significant impact on the value of the stock;

Staff member means a person who is employed by the University, or who is given Academic Status or who has official visiting status, at the time he or she creates any Intellectual Property;

Staff Member Student or Visitor includes a reference to that person's executors, administrators, successors and assigns;

student means any person, who is enrolled in a course, or in a course-unit or subject offered by the University, or who has been given permission by the University to audit a course-unit or subject, whether undergraduate or postgraduate;

supervisor means the person appointed by the prescribed authority for the purposes of supervising a student's program or course and enabling the student to obtain advice on any matter relating to the student's program or course;

third party agreement means an agreement between the University and another person (other than a staff member or a student) that regulates Intellectual Property and includes, without limitation, agreements with research funding bodies;

third party activity means any activity in which the University engages or otherwise participates and which is the subject of a third party agreement;

The **University** is The Australian National University (ANU). The policy position of the University applies to all of its Schools, Faculties, Centres, Divisions, Colleges and other constituent parts such as the University Library, and to its wholly owned companies, such as ANU Enterprise Pty Ltd, unless the contrary intention appears;

work means a literary work (which includes a computer program), a dramatic work, a musical work, an artistic work, cinematograph film, sound recording, published edition, or a combination of two or more works.

APPENDIX A

APPROVAL AND PAYMENT OF IP PROTECTION AND COSTS

Patent Phase	Payment by ¹	Approval from
Provisional	School, Centre, Faculty or College	Dean or Director, as appropriate
PCT ² /International/ National	<ul style="list-style-type: none"> • School, Centre, Faculty or College • University Research Development Fund • Office of Commercialisation • External Partner³ 	<ul style="list-style-type: none"> • Dean or Director, as appropriate • DVC (Research) • Office of Commercialisation • External Partner
Termination	Not applicable	<ul style="list-style-type: none"> • DVC (Research) • Office of Commercialisation

¹ Apart from any external partners PCT/national/international costs are shared equally among the entities indicated.

² Patent Cooperation Treaty. This treaty facilitates the obtaining of protection for inventions where such protection is sought in any or all of the PCT Contracting States (World Intellectual Property Organization (WIPO)).

³ Normally an external commercial partner is engaged before a national or international patent is filed.

Other IP Registration, including trademarks, designs etc	School, Centre, Faculty or College	<ul style="list-style-type: none"> • Dean or Director, as appropriate • DVC (Research)
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APPENDIX B

APPROVAL AND EXECUTION OF AGREEMENTS

Whether the commercialisation of IP is to be managed by the Office of Commercialisation, or by another approved agency, a recommendation must be obtained from each of the following before any agreement will be executed by the Deputy Vice-Chancellor (Research):

- a) Researcher(s)/ Originator(s)
- b) Business Manager (for contract research or ongoing activities involving School/ Centre, Faculty or College)
- c) Head of Department or Division, if appropriate
- d) Dean or Director
- e) Office of Commercialisation Director, where the Office of Commercialisation has been involved, or the University Legal Office if the Office of Commercialisation has not been involved.

APPENDIX C

DISTRIBUTION OF NET INCOME

Originator(s)	Originator's School, Centre or Faculty	University Research Development Fund
33.3%	33.3%	33.3%

APPENDIX D

PRINCIPLES, TERMS AND CONDITIONS OF UNIVERSITY USE OF STAFF COPYRIGHT

The University recognises that course material presented by academics to students is drawn from many sources. Traditionally, course materials consist of lecture notes academics bring with them to the University, develop further at the University and take with them when they

leave. These may or may not have potential for publication royalties. They may or may not be presented in digital format or capable of being published for dissemination electronically.

The University encourages staff to prepare and present digital information. The basic position is that the University waives any rights, applying to (i) course or topic materials generated by a single staff member; (ii) materials prepared as part of ordinary course development; (iii) where no designated extra resources have been provided by the University.

Exempt IP –Individual Owner

- Where the Exempt IP comprises part of the materials that are needed to teach a course in which there are currently enrolled students, the staff member will provide the University with a right to use the Exempt IP until the conclusion of that course.
- The staff member will provide the University with an exclusive licence. This means that the staff member cannot assign or licence the Exempt IP to another party while employed by the University without the prior written approval of the Deputy Vice-Chancellor (Research).
- The University may further develop the Exempt IP. The University shall own any further developments.
- When a staff member retires from, or ceases to be employed by, the University, the University has an exclusive option to purchase the Exempt IP at a reasonable market rate. The option will be for a determined period of time, say 12 months.
- The staff member warrants that the Exempt IP does not infringe copyright, patent, trademark etc laws.
- Other staff members are free to develop course materials that might cover the same/similar issues as the Exempt IP. There is no implied limitation on academic freedom.
- The University will not change the copyright policy without appropriate notice to staff.

