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**London
South Bank
University**

London South Bank University and South Bank University Enterprises Limited

Intellectual Property Policy 2016 – 18

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1. Executive Summary

The creation of intellectual property and its protection is a core objective for London South Bank University as it is crucial to the development of academic scholarship, research, teaching and enterprise.

This policy provides a framework for assessment, management and commercial development of intellectual property arising at LSBU.

The policy states that intellectual property generated at LSBU is owned by LSBU except in particular identified circumstances. It describes when IP is likely to arise and how it can be commercialised.

The policy takes account of the need to publish research work and supports staff in this process.

The policy covers situations involving students, honorary or visiting academics and externally sponsored work.

Finally the policy describes methods of IP commercialisation, and sets out the revenue sharing scheme for successful commercialisation.

2. Introduction

- 2.1 London South Bank University regards the creation of intellectual property as a core objective which it sees as crucial to the development of knowledge-creation, scholarship and learning. The University maintains its duty to develop policies and support services which create the best possible environment for intellectual property to be transferred into practical use.
- 2.2 The protection and appropriate commercialisation of intellectual property at the University is in everyone's best interest. There is real potential to attract additional income for staff, students and the University by commercialising intellectual property.
- 2.3 The central features of this philosophy and responsibility are to create an effective, efficient and transparent process which can:
 - evaluate and protect the intellectual property, and then decide on the most appropriate arrangements for its transfer into use; and
 - arrange for sharing any commercial returns from commercialisation of Intellectual Property which provide for rewards to the originators, the School and the University; and
 - use an approach which is entirely compatible with publishing, collaborations and research in the pursuit of excellence.

3. Scope

London South Bank University's (LSBU) Intellectual Property (IP) policy provides a framework for assessment, management and value creation of IP generated by its staff and others.

4. Roles and Responsibilities

- 4.1 The Pro-Vice Chancellor (Research and External Engagement) has the overall responsibility for this policy but has delegated day-to-day responsibility for overseeing its implementation to the Intellectual Property Manager.
- 4.2 The IP Manager will advise on the protection and commercialisation of the University's IP. Their key responsibilities include the protection of IP, and supporting the generation of income via collaborative opportunities.
- 4.3 Intellectual Property generated by Staff and research students will be protected where possible if there is a commercial opportunity for that IP.
- 4.4 The IP Manager, will also support any additional commercial or technical development of the IP with the Inventor(s) with support from colleagues in REI who will engage and negotiate with potential commercial partners to ensure optimal further development and return for the University.
- 4.5 The IP Manager will also endeavour to train and develop improved IP understanding amongst LSBU staff and students.
- 4.6 The Inventor is the expert on the invention and the field of research and this knowledge is crucial to the success of IP generation, IP protection and IP commercialisation that the Inventor is engaged in the process. When working with the IP Manager, the Inventor may be required to complete documents to confirm the authenticity of their IP. Additional research and experimentation may be required to ensure that the IP can be appropriately protected and commercialised.
- 4.7 The benefits of the inventor working with the IP Manager and gaining insights into how IP is protected can greatly aid the generation and development of future IP for professional development.

5. Policy Statement on Ownership of Intellectual Property

London South Bank University owns 100% of the Intellectual Property created during the performance of the contracted duties of all employees, or assigned to London South Bank University by students or other individuals, except where otherwise defined within this policy. The Patents Act 1977 (as amended), the Copyright, Designs and Patents Act 1988, the Registered

Designs Act 1949, Regulation on Community Designs (6/2002/EC) and the Copyright and Rights in Databases Regulations 1997 (SI 1997/3032) are several pieces of legislation that, together, also make it clear that IP generated by an employee during the course of his/her normal duties belongs to his/her employer. The University will undertake to protect commercially important IP and seek its commercial exploitation for the benefit of staff, students and the University. Net proceeds from commercialisation will be distributed between the inventor(s) and the University on a fair and equitable basis as detailed in this policy.

6. Definitions

Certain terms are used in this document with specific meanings, as defined in this section. These definitions do not necessarily conform to customary usage.

Affiliate means any other individual who has a contractual link with the University including (but not limited to), a visiting or honorary academic, a visiting postgraduate student or an academic on sabbatical.

Assignment means the transfer of Intellectual Property rights held by one party (the Assignor) to another party (the Assignee).

Background IP refers to any information, techniques, know-how, software and materials (regardless of the form or medium in which they are disclosed or stored) that are already owned by a party when entering into an agreement with another party. This is especially applicable when entering into research or enterprise collaborations.

Commercialisation means any form of exploitation of IP including assignment, licensing or the disposal of any interest, whether in return for cash or payment in-kind or any other form of value.

Externally-produced work means any commissioned design/research results produced by an external person or company for the University and/or SBUEL.

Foreground IP means any information, techniques, know-how, software, results, inventions and other Intellectual Property identified or first reduced to practice or writing in the course of a Project. This is especially applicable as a result of a research or enterprise collaboration.

Intellectual Property (IP) means patents, rights to inventions, trade marks and service marks, trade names and domain names, rights in get-up, rights to goodwill and to sue for passing off and unfair competition, rights in designs, rights in computer software, database rights, rights in confidential information (including know-how and trade secrets), copyright and any other intellectual property rights, in each case whether registered or unregistered and including all applications (and rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist, now or in the future, in any part of the world.

Intellectual Property Manager has responsibility for identifying and protecting the University's intellectual assets and explores routes for commercialisation of intellectual property arising from the University's knowledge and technology base. The IP Manager is based in Research, Enterprise and Innovation and will be supported by colleagues to commercialise LSBU IP.

Intellectual Property Rights (IPR) refers to specific legal rights which protect the owners of IP from others using it without permission. They are divided into four main categories:

- Patents
- Copyright
- Design Rights
- Trade Mark Rights

Patents protect any new and inventive product, device, composition or process for up to 20 years from filing a complete patent application. To be patentable, the subject matter must be new, have an inventive step and be capable of use in industry. It must also have “technical character” meaning it must solve a particular technical problem. In Europe and the UK, there are some exclusion from patentability such as ideas, theories, discoveries, thoughts, purely financial, commercial or mathematical methods, games, computer programs, ways of presenting information and methods of treatment, diagnosis or surgery.

Copyright protects any original works such as original literary works (tables or compilations, computer software programs and databases), dramatic works (dance or mime), musical works (music exclusive of any words or actions) and artistic work (graphic works, photographs, sculptures, collages irrespective of artistic quality, works of architecture and works of artistic craftsmanship), sound recordings, films, broadcasts and typographical arrangements of published editions. Copyright arises automatically.

Design Rights generally protect the appearance of a product resulting from the features such as the lines, contours, colours, shape, texture and/or materials of the product or its orientation. Under UK design law, design rights can be formally registered for up to 25 years, giving legal protection against copying the actual design or any design similar in appearance. The design must be new and have individual character. Some designs may also attract automatic design rights which do not require any formal registration. These designs must be original (i.e. not copied) and not common place. They generally protect 3–dimensional aspects of a design product only. These automatic rights can last for up to 10 years from the date of first marketing the design or 15 years from when the design is first recorded in a design document or an article is made to the design.

Trade Mark Rights protect names, logos, jingles, slogans, shapes of goods or packaging. The mark must be capable of being graphically represented and of distinguishing your goods or services from others. Trade marks can be registered for an indefinite period of time. Long term use of unregistered trade marks may also be protected under the UK common law of “Passing off” which protects the goodwill and brand in a business and is used as an alternative remedy to trademark infringement.

Inventor(s) means any person or persons who create any IP. This includes patentable inventions, designs, computer coding, and reports.

Licence is an expressed legal agreement where the owner of an intellectual property right (Licensor) authorises another party (Licensee) to use the intellectual property.

LSBU and University means London South Bank University

Non-disclosure Agreement is a contract by which one or more parties agree not to disclose confidential information that they have shared with each other as a necessary part of doing business together. This is also sometimes referred to as a confidentiality agreement.

Project means a planned piece of collaborative research and/or commercialisation work over a fixed period of time and with an intended outcome. The results of the Project could mean that new IP has been created.

REI means Research Enterprise & Innovation

Research Results means the results arising from an individual's or group's research including details of any IP, results, data or source code.

Research Students means any full-time or part-time student undertaking a research degree regardless of whether the student receives financial support from the University, from outside sources or who is self-funded. Under the University's Regulations the research degree is defined as any of the following: MRes, MPhil, MD, PhD, PhD by Published Work, DLitt, DSc or any other doctoral thesis including Professional Doctorates.

SBUEL (South Bank University Enterprises Limited) means the legal entity wholly owned by the University which has responsibility for the management of consultancy, investments, equity holdings and license agreements that relate to start-up businesses, IP and technology transferral.

Scholarly Materials means textbooks, journal articles, conference papers and related presentations, theses and dissertations, popular non-fiction, novels and poems, but excludes any such materials or part of them which can be defined as Teaching Materials or University Materials and excludes computer programmes.

Spin-Out Company means a company established with a view to commercialising IP originating from the University. The University would normally have equity in the spin-out company.

Staff means all employees (including full-time and part-time) contracted by the University or any of its subsidiary companies.

Student Entrepreneur means an LSBU student or alumni who has gained a place on a University enterprise scheme to develop their commercial idea or product.

Teaching Materials means any materials created within the University or created on behalf of the University that are intended to be used or accessed by students for the purposes of their course of study including course guides, hand-outs and presentation materials (including lecture notes, slides and other audio-visual materials), instruction manuals plus assessment and examination questions.

University Materials means any type of work produced for administrative purposes, including but not limited to promotion and marketing of University courses, student and staff recruitment, papers for any internal committee or similar body, material included in any University handbook for employees or Students or any other University purpose and any item created by an employee of the University whose job description specifically includes the creation of printed or electronic materials.

University Resources means any form of funds, facilities or resources, including equipment and consumables, use/supply of heat, light or power otherwise purchased or paid for by the University, SBUEL or other University subsidiary during that employee's contracted hours of work.

7. Ownership of Intellectual Property

- 7.1 Intellectual property is a property right and can be transferred much like any other type of property, for example, by sale or assignment. It is important to realise that the owner of IP may not necessarily be the person who created it in the first place.
- 7.2 London South Bank University owns 100% of the IP created during the performance of the contracted duties of all employees, or assigned to London South Bank University by students or other individuals, except where otherwise defined within this policy.
- 7.3 Exceptions to this general rule need to be considered when the IP is created during a collaborative project with other organisations and when external funding determines ownership of IP. In these cases, staff are required to work with the IP Manager and the Legal team to develop and review contracts.

Staff

- 7.4 Pursuant to the terms of the LSBU contracts of employment and as a matter of law, IP created by the University staff shall be owned by the University if the IP was created in the course of the staff member's contracted or specifically assigned duties.
- 7.5 Course Materials
 - 7.5.1 The copyright in course materials whether written or electronic, including aids to teaching produced by staff in the course of their employment for the purposes of the curriculum of a course run by the University and produced, used or disseminated by the University belongs to the University. However the copyright in any material produced by staff for their personal use and reference shall belong to that member of staff.
- 7.6 Scholarly Materials
 - 7.6.1 The University waives its IP rights in Scholarly Materials (as defined above) produced by Staff.
 - 7.6.2 The University reserves the right to use any Scholarly Materials for purposes such as teaching, research and general internal use if deemed appropriate, subject to the University's obligation to respect the moral rights of the staff member in relation to such Scholarly Materials.
- 7.7 Materials arising from Research
 - 7.7.1 Copyright in reports and other material arising from research will belong to the University or to a funding body or other collaborator depending on the terms of the contract.
- 7.8 Financial & Administrative Materials
 - 7.8.1 All records, documents and other papers (including copies and summaries thereof) which pertain to the finance and administration of the University and which are

made by staff in the course of their employment are the property of the University and the copyright in all such original records, documents and papers shall at all times belong to the University.

Students

7.9 Postgraduate Research Students

- 7.9.1 As a precondition of registration for their research degree (as stated in the Academic Regulations), all research students are required, prior to or at the time of enrolment, to sign agreements which will assign, or will oblige them in the future to assign, their rights in any IP arising from their studies to the University. Upon assignment, the University will own all IP developed by research students relating to their studies unless the University has entered into an agreement whereby all or a portion of the rights are owned by an external sponsor.
- 7.9.2 If the IP generated by research students is commercialised, the student inventor will be treated as a member of staff for the distribution of net income. Should the University not wish to exploit the IP generated during the course of the research degree, the IP shall be reassigned back to the research student at the end of his/her studies. This is subject to any obligations of confidentiality assumed by the University and/or if requested the research student in relation to the IP.
- 7.9.3 The owner of the copyright in the thesis will be the student. The student shall seek guidance and approval from their Academic Supervisor initially for publication in books or articles. If the student is sponsored by an external party, guidance and approval for publication should also be sought from the external party.
- 7.9.4 Should the content of the thesis relate to any potentially commercial IP then publication of the thesis will be delayed until appropriate IP protection is in place. This should be discussed and agreed by the student's Academic Supervisor and REI.
- 7.9.5 The University reserves the right to be granted a non-exclusive royalty free licence by the student for use of his/her thesis for non-profit purposes such as teaching, research and general internal use if deemed appropriate subject to the University's obligation to respect the moral rights of the research student in relation to such copyright material.

7.10 Non-research students

- 7.10.1 Non-research students, including undergraduates and postgraduates on taught courses, own the IP that they create except in the following circumstances:
- a) *Students who create IP jointly with a member of staff under a University project.* Students must assign their IP to the University. In cases in which the student who is working on a University project makes significant contribution to the inventive process, the student will be granted the same rights as any employee Inventor as set out in this policy.
 - b) *Those students working on a placement project or external project involving ideas and funding from an external party.* In these circumstances, students may be

required to assign their IP to the University or the external party. The ownership of any IP in cases of placement projects or externally funded projects will be determined by the contract with the external party. The external party/placement provider will most likely own the IP in these situations and students should be advised accordingly.

7.11 Student Entrepreneurs

- 7.11.1 Student Entrepreneurs who have a place on a University enterprise scheme will own the IP they generate except in circumstances of collaboration with LSBU staff.
- 7.11.2 In cases where a member of staff has made a significant contribution to the inventive process, the Student Entrepreneur and Staff will jointly own the IP.
- 7.11.3 In cases where the Student Entrepreneur collaborates with an external party, the ownership of IP will be determined by the contract with the external party.
- 7.11.4 In cases in which the Student Entrepreneur requests additional funding for IP protection or business development, the University may require assignment of IP and equity in any related company established by the Student Entrepreneur. In these cases, IP will be exclusively licensed to that company in return for a royalty. Additional funding requests will be considered on a case-by-case basis and require the Student Entrepreneur to provide a business plan. Requests for additional funding will require approval by SBUEL Board.

7.12 Accessing Commercialisation support

- 7.12.1 Students may approach the University to seek support for the commercialisation of IP that belongs to them. This will require the student opting in to this policy and assigning ownership and exploitation rights in the IP to the University. In consideration for the assignment, the student will be granted the same rights as a member of staff and should follow the procedures set out in this policy (Clause 10).
- 7.12.2 Students who are interested in opting-in should contact the IP Manager to discuss this option.
- 7.12.3 Students who already have an obligation to assign under clause 5.2 (A) and (B) may not seek this option unless it is for a new idea which is unrelated to the existing idea/invention.

7.13 Student Work Paid for by the University

- 7.13.1 In situations where the University pays students for work, the University will own any IP arising from the activity. Examples of such situations may be working on a University project or working as an intern.

8. Externally Produced Work

- 8.1 Externally produced work commissioned by London South Bank University or SBUEL, Foreground IP produced in the course of the project will be owned by London South Bank

University or SBU. Commissioners of projects by External companies or organisations should ensure that consultants are aware of this IP policy. Contracts between external companies or organisations and London South Bank University or SBU must be produced and authorised by the Legal Team. Any work commissioned that is procured through the University's Procurement procedures will be covered by LSBU's Terms and Conditions which includes clauses stating that Foreground IP will belong to LSBU. Agreements made without authorisation risk the loss of IP to the supplier.

9. Affiliates

9.1 Where it is anticipated that IP may arise during the course of activity undertaken by an Affiliate of the University, an IP agreement must be executed by all parties prior to the commencement of any work.

9.2 *Honorary Employees*

Academics or researchers who have an honorary association with the University but are not employed by the University are required to transfer any IP they create in the course of their honorary activities to the University, subject to the terms and conditions of their honorary contract. Such individuals will be treated as if they were University employees for the purposes of sharing revenue. This includes visiting academics and individuals with honorary appointments in the University.

10. Confidentiality

10.1 *Professional Best Practice*

Staff and students are expected to take all necessary steps to keep confidential any potentially exploitable IP and prevent public disclosure of any invention of creative work arising from their employment. If it is necessary to disclose confidential information, advice and guidance should be sought from the IP Manager in advance of disclosure. As research publications are important to both the researcher and the University, every endeavour will be taken not to delay publication more than is necessary to ensure protection of the IP.

10.2 *Working with External Parties*

Staff and students are expected to ensure that a confidentiality agreement (non-disclosure agreement (NDA) is in place as soon as reasonably practicable and abide by the agreement terms when receiving confidential information from external parties, and when sharing confidential information with external parties. If you require a NDA, details for the requirements to be covered in the NDA should be provided to LSBU's Legal Team who will draft the NDA for your approval. Please note that should any third party or external organisation supply a confidentiality/non-disclosure agreement it should be forwarded to LSBU's Legal Team for review and signature.

11. Invention Disclosure Process

11.1 *Invention Disclosure*

Staff and students must disclose new potentially exploitable IP prior to any public disclosure using an Invention Disclosure Form (IDF) and submitting it to the IP Manager. The form can be requested from the IP Manager. The Invention will be assessed for patentability or other protectable means with the inventor and if appropriate, protection will be initiated. The Inventor will be involved in the decision which will be impacted by publication needs and commercial potential. Please contact the IP Manager should you need advice in relation to the IDF.

11.2 *Evaluation of Intellectual Property*

The IP Manager working with colleagues from REI will review the Inventive work for commercial potential against a matrix of criteria including:

- Prior Art
- Strength of support for creative team
- Market for potential products , narrow or wide applications
- Market competition
- Cost of development for commercialisation
- Collaborative and licensing opportunities
- Exit strategy
- Benefits to the University – tangible and intangible

11.3 *Funding Application*

Where the disclosed IP is found to have some potential for commercialisation, whether at a commercial or pre-commercial stage, the inventor will be advised on further development of the IP through research, prototyping or collaboration.

The REI team will liaise with the inventor's Line Manager and School on decisions where input required from the inventor requires time and resources from the School.

12. Commercialisation of Intellectual Property

In the event that the decision of REI is to support the development of the IP then the likely routes for commercialisation will be explored with the Inventor(s).

- 12.1 A commercialisation plan will outline what tasks need to be undertaken, by whom and in specific timelines as part of a programme towards reaching the goal of commercialisation. The plan will be agreed by the Inventor(s), Dean of School and REI.
- 12.2 The IP Manager will take the appropriate steps to protect the IP by patent application or other IP protection means, at LSBU's expense, and within the timetable of the agreed commercialisation plan. Staff and students are expected to meet the requirements of this plan in a timely way.

12.3 The type of activities individuals are expected to commit to include:

- supporting the patenting process (this can involve responses to ‘written opinions’ and further experiments);
- developing prototypes and/or carrying out further experiments;
- provision of content for the preparation of marketing materials (both confidential and non-confidential);
- co-developing & delivering ‘sales’ presentations to potential licensees;
- participating in meetings (both at London and elsewhere including overseas);
- and positively supporting the negotiation of licences or other agreements where necessary.

12.4 In the event that an individual(s) fails to meet the commitments specified in the agreed plan and this is damaging to the progress of the commercialisation effort then REI reserves the right to terminate the commercialisation plan via delivery of a written notification to the member of Staff or student.

12.5 Upon commercialisation, the inventor may be required to work with the third party to fully ‘transfer’ the know-how in the IP.

Revenues from Licence Royalties

12.6 Where the IP is licensed to a third party, REI will be responsible for negotiating and securing the most profitable commercial arrangement available. Net revenues (after patent and related costs, professional and legal advice, marketing costs, etc. have been covered) from licences/royalties will be distributed as described in 13.

13. Spin-out Routes

13.1 Spin-out Process

In some cases, the best route to commercialisation is for the Inventor to start a spin-out company. In this case, the Inventor will be required to submit a business plan which will be reviewed and agreed by REI and the SBUEL Board. SBUEL will hold up to 19.9% equity in the spin-out company.

13.2 Licensing to spin-out

For most spin-out companies the University will seek to negotiate licence terms to provide the venture with access to the IP it needs to develop the business and raise finance. The licence will generally include royalty provisions and terms for assignment of the intellectual property based on the company meeting agreed milestones.

13.3 Directorships In Spin Out Companies

SBUEL and the University will be party to Shareholders Agreements from the spin-out company and will seek non-executive directorships in the venture. Staff and/or students may also participate as directors and SBUEL recommends each individual considering this role gains legal advice on the responsibilities associated with limited private company directorship.

13.4 *Secondments to Spin-Out Companies*

In the event that an individual intends to work for the spin-out venture then secondment arrangements would need to be put in place by the School and Human Resources.

13.5 *Use of University Resources By Spin-Out Companies*

In the event that a spin-out company needs access to University facilities then this will require arrangement via REI and the value of such access will be negotiated. Use of University Resources may count as 'in-kind' investment into the spin-out company and will be considered as a repayable loan or an entitlement to share options.

14. Revenue Sharing Scheme

14.1 The successful commercialisation of University-generated IP will usually result in the University receiving a royalty income. This may be either as a lump sum or as a stream of royalty income over a period of time.

14.2 SBUEL has a standard scheme for the apportionment of its royalty income which reflects the involvement of the individuals concerned, the School and SBUEL.

14.3 The University must recover its costs – examples of such costs include IP protection costs, professional and legal advice, promotional and marketing material.

After costs have been recovered, Net revenues from licences / royalties will be distributed as follows for any licensable IP:

Net Revenues (Cumulative)	Inventor(s)	School	SBUEL
First £20K	70%	15%	15%
All revenue above £20k	50%	25%	25%

14.4 Inventors will not receive a revenue share if the IP is licensed into a spin-out company of which they are a Director.

14.5 Where the IP is licensed to a third party, REI will be responsible for negotiating and securing the most profitable commercial arrangement available.

15. Apportionment amongst Inventors

In circumstances where more than one Inventor is involved, responsibility for agreeing the division amongst the several inventors lies with those individuals.

Joint Inventors must agree apportionment prior to any IP protection being filed or commercialisation support being provided by the University.

Advice can be sought from the IP Manager.

In the event of a dispute which cannot be resolved by mutual discussion amongst the Inventors the protection and commercialisation of the IP will not be supported by the University.

16. Leaving employment of the University

Cessation of employment by the University will not affect an Inventor's right to receive a share of income. It is the responsibility of the inventor to inform REI of their forwarding address and contact details.

17. Death

In the case of the death of an Inventor, who is due revenue payments, such revenue payments will be payable to the estate of the deceased.

18. Payment of Royalties

The Inventor's share of income will be paid via electronic bank transfer (by preference) or cheque. It is the responsibility of the recipient to ensure that they notify their local tax office or HMRC.

19. Assignment to Inventor

- 19.1 Should SBUEL decide it does not wish to proceed with developing and commercialising the IP, and if requested by the Inventor(s), SBUEL will assign ownership of the invention and the IP to the Inventor(s).
- 19.2 Once assignment to the Inventor(s) is agreed and transacted, they will have responsibility for any country specific assignments and for maintaining the IP protection.
- 19.3 In such a scenario where IP is assigned back to the Inventor which is then successfully commercialised, the Inventor(s) will reimburse expenses previously incurred by the University, SBUEL and any other of the University's subsidiary companies for the IP protection and development, from the income generated by the inventor(s) or done on their behalf.

20. Review of Intellectual Property Policy

The London South Bank University IP Policy is reviewed every two years. The next review is scheduled for June 2018.