



## **IP in collaborations - some considerations**

A key role of **Interface** is to facilitate effective interactions between industry and academic and research-based organisations. Intellectual property rights ( 'IP' ) will often be relevant to this kind of interaction. In the case of a collaborative project, for example, there may be existing IP (owned by the participants and/or third parties) and also new IP created as a result of the project.

The identification of what IP is involved at various stages of any project and determination of how this IP is managed are central to a successful collaboration agreement. These are not intuitive issues. Intuitively, ownership of newly-generated IP would appear to be the main concern, and this can be problematic in negotiations. In practice, however, issues relating to how the IP relevant to the project can be used and how this IP should be managed during and after the project can be more problematic in any subsequent commercial exploitation.

## **IP and Projects**

For many projects IP may not initially be of concern, though when commercial application arrives IP rights may become important. It is therefore helpful to have a simple process to run through for all projects to identify IP issues. This should have three main considerations; firstly identification of 'Background' IP contributed by the parties involved, secondly identification and capture of any new IP that might arise as result of the project (often termed 'Foreground' IP), and thirdly to identify how such IP can be used and what will happen if new IP continues to be developed after the end of the project.

Much of this process does not have to be overly onerous or time consuming but should involve a simple and effective record-keeping, resulting in an IP equivalent of a Bill of Materials.

In addition to identification of specific IP, an IP framework document can be used to help focus the thoughts of the various parties involved. An example is discussed below.

## Identifying the IP

One or more types of IP may be involved - for example:

- 1. Patents or patentable technology** - the vast majority of projects will involve some element of problem solving. A non-trivial solution to a technical problem that achieves a commercially useful result may well be patentable.
- 2. Confidential information and know-how** – this could be research data, manufacturing or process factors (temperature, flow rates), design know how or industry knowledge – it can provide a commercial advantage, but not if it is generally known by competitors.
- 3. Copyright** - examples are technical drawings and manuals, data compilations, process information, software routines and user interfaces.
- 4. Designs** – these relate to how a product looks – there are both registered designs and unregistered design rights (which are automatic rights and similar in nature to copyright)
- 5. Trade marks** - new product or service names or logos may be created for a new collaboration and the parties may have existing trade mark rights.
- 6. Third party rights** – third parties may have any of the kinds of right indicated above, and this could prevent exploitation of the results of the project unless these rights are appropriately licensed.

## Development of an IP framework document

Every project has a scope of work. Better collaboration results if there is also a clarification of what each party expects to achieve from the project, and a simple IP framework document can be part of this. This approach enables focus on commercial or other useful outcomes and then organisation of IP arrangements to support these outcomes.

An exemplary IP Framework is shown below for an engineering company helping create a new production process funded by an existing customer in the energy sector. This involves using the combination of their engineering skills and technology and expertise contracted in from a University.

## **IP Framework - products & outcomes of primary interest to each party**

### **Energy Company (project funder)**

- Fully-functioning pilot plant allowing subsequent building of full scale plant.
- Freedom to build similar plants operated by them (or other similar businesses under licence)
- Unrestricted use of IP, including knowhow, patents, design information, for this specific application..

### **Engineering Company**

- Collection of IP rights suitable for licensing for a range of other specific applications
- Access to future improvements to the process

### **University**

- Opportunity to prove technology for specific application
- Opportunity to sell further expertise - to company, to sector
- License to obtain revenue stream based on use of patents
- Access to process data after signoff of pilot plant for further research

Such a document can be attached to a Memorandum of Understanding and refined and agreed prior to the preparation of detailed legal agreements between the various parties. It is desirable for this IP Framework to remain under active consideration throughout the project – commercial goals are likely to change over this timescale.

Prior to any discussions a confidentiality agreement should be put in place. This protects the interests of the parties in several contexts. One context is the disclosure of confidential information on know-how during the negotiations. A second context is that of IP generation during the negotiation process – covering these by confidentiality terms should ensure that any potentially patentable innovations arising can still be protected by patent at a later date when any ownership issues have been resolved.

In summary, by taking some basic steps to attend to IP issues in collaborations, IP rights can be used to support rather than hinder commercial exploitation of the collaboration.

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