



Division of Research
and Innovation

HTQ – Spring Seminar Series

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ACKNOWLEDGEMENT OF COUNTRY

QUT acknowledges the First Nations owners of the lands where we gather today. We pay respect to the Elders, lores, customs and creation spirits of this country. We recognise that these lands have always been places of teaching, research and learning.

QUT acknowledges the important role Aboriginal and Torres Strait Islander people play within the QUT community.



Welcome

Alex Stewart, Senior Legal Counsel, Office of Research Services at Queensland University of Technology

Dr Karen Mongey, Registered Patent and Trademark Attorney and IP Manager at Commonwealth Scientific and Industrial Research Organisation

The Topic

Intellectual Property tips and tricks

CRICOS No.00213J

Learning Outcomes

- General knowledge about Intellectual Property in the context of clinical research agreements
- *More simply* – What should you consider when completing this part of a research agreement
- **Out of scope** – clinical trials, commercialisation, moral rights

Material Transfer ⓘ	<p>Approved purpose: Click or tap here to enter the Approved purpose.</p> <p>Delivery Address: Click or tap here to enter the Delivery Address.</p> <p>Transfer Date: Click or tap to enter the Transfer Date.</p>
Background IP ⓘ	Click or tap here to enter Background IP details.
Project IP Owner ⓘ	Click or tap here to enter Project IP Owner.
Health and Hospital Purpose ⓘ	Click or tap here to enter the Health and Hospital Purpose.
Commercialisation ⓘ	Click or tap here to enter the Commercialisation Lead details.
Revenue Sharing ⓘ	Click or tap here to enter the Revenue Sharing Percentages.
Other Commercialisation Terms ⓘ	Click or tap here to enter any Other Commercialisation Terms.
Moral Rights ⓘ	Click or tap here to enter the Moral Rights.

The right answer!

Consider:

- What would ownership look like if there was no contract?
- Why should we change it from that position?

Schedule

- Theory and Policy
- Different issues for different types of Intellectual Property
 - Confidential Information
 - Copyright
 - Patent
- Completing a Research Contract

What is “Intellectual Property”?

- Colloquial term for a variety of rights.
- WIPO Treaty, Article 2:

(viii) “intellectual property” shall include the rights relating to:

- literary, artistic and scientific works,*
 - performances of performing artists, phonograms, and broadcasts,*
 - inventions in all fields of human endeavor,*
 - scientific discoveries,*
 - industrial designs,*
 - trademarks, service marks, and commercial names and designations,*
 - protection against unfair competition,*
- and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.*

What is “Intellectual Property”?

Simplified

*A grab-bag of rights
about things
created by thinking.*



What is “Intellectual Property”?

HTQ definition (v3.2):

Intellectual Property or IP means all intellectual property rights, including but not limited to:

- a) trade and service marks (including goodwill in those marks), patents, inventions, discoveries, copyright, rights in circuit layouts, designs, moral rights, domain names, registrable plant varieties, processes, trade secrets and know-how;*
- b) any application or right to apply for registration of any rights referred to in paragraph (a); and*
- c) all rights of a similar nature to any of the rights in paragraphs (a) and (b) which may subsist anywhere in the world (including Australia), whether or not such rights are registered or capable of being registered.*

Why do we have IP laws?

“those rules of behaviour which are valid according to the system’s ultimate criteria of validity must be generally obeyed, and...its rules of recognition specifying the criteria of legal validity and its rules of change and adjudication must be effectively accepted as common public standards of official behaviour by its officials.”

HLA Hart (1961) *The Concept of Law*

IP Theory

Intellectual Property shouldn't exist:

- Detracts from technology-accessibility
- Intellectual Property results in productive and allocative inefficiency.
- Intellectual Property prevents everyone from using new technology



The world without IP*



*According to some legal and economics scholars

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Why does Intellectual Property exist?

Basic Theory –

- Innovation requires time, effort and expenditure.
- If everyone can use the outcomes of innovation, there is no incentive to innovate.
- Innovation is good.
- Therefore, as a policy, legal rights are granted to creators to protect the outcomes of innovation.

IP Policy

- Protects substance – not mere ideas
- Protection is for a limited period of time
- Protection is only granted to “new” innovations or works
- Protection will be given to employers, as a general rule
- Intellectual Property is property that can be owned or licensed.....

IP Policy

Intellectual Property provides exclusive legal rights in relation to certain subject matter for a limited period of time.

When the time is up – it is free for public use



Lady Maclairn, the victim of villany: A	A guide to modern cookery by A.	Minä tahdon kostaa by Baroness	Letters and social aims by Ralph Waldo



Ownership v Licensing

Ownership can be licensed out to others to make use of the IP:

- **Non-exclusive** licence – the original owner can still use
- Exclusive licence – the original owner cannot use

Other licence conditions may included:

- **fee-free**, *fee per exploitation*,
- **royalty-free**, *royalty-bearing*,
- **worldwide**/*territorial*,
- **perpetual**/*time limited*,
- *revocable/irrevocable/bare* <- depends on consideration
- **conditional**/**immediate**,
- *purposive/any purpose*,
- **sub-licensable**/**non-sub-licensable**,
- **transferrable**/**non-transferrable**

***Bolded** are the default if licence left silent

Different IP, Different Rules

The specific rules and issues for different intellectual property is specific to its nature

Confidential Information

- The beginning point for any innovation.
- Not really “Intellectual Property”.
- Often preliminary state of new technology.
- Is more about a trusted relationship than property.



Confidential Information

Elements of breach of confidential information

- *Information must be specific*
- *Information must have a “quality of confidence”*
- *Recipient ought to know the information is given under an obligation of secrecy*
- *There must be actual or threatened misuse of information*

*Smith Kline & French Laboratories (Aust) Limited v
Secretary, Department of Community Services and Health
(1990) 22 FCR 73, 87*

Confidential Information

- Confidential Information can't be assigned.
- Confidential Information can't be licensed, though it can be imparted for a specific purpose.
- Destroyed upon coming into the public domain.

Confidentiality and Know-How

- “Know How” is often conflated with Intellectual Property and Confidential Information
- An employee that develops “know how” in a specific field may retain a right to use it
(Doctrine of Unreasonable Restraint of Trade)
- Tip: Just because something is down in a contract as “IP” owned by a party, don’t expect that will necessarily be the case.

Copyright

Copyright is *potentially* everywhere:

- Documents
- Drawings
- Computer Programs
- Forms
- Buildings
- Sculptures
- Etc, etc, etc.....



Copyright

- Exclusive rights in relation to literary, artistic, dramatic or musical works (or subject matter other than works – like sound recordings)
- Protection is automatic
- Lengthy protection (life of author plus 70 years, or 70 years since first publication if author is dead when first published)
- Works must be original
- Works must be reduced to a material form

Copyright

Who should be the owner?

- Authors are the starting point for ownership, but note:

Where a literary, dramatic or artistic work to which neither of the last two preceding subsections applies, or a musical work, is made by the author in pursuance of the terms of his or her employment by another person under a contract of service or apprenticeship, that other person is the owner of any copyright subsisting in the work by virtue of this Part.

Copyright Act 1968 (Cth) s35(6)

Warning - Terms May Vary

Some Universities return or leave copyright to authors for:

- Copyright in scholarly works to Academics
- Copyright in a thesis to HDR Students

TIP: Are your authors all bound up?

Copyright v Data

- Hugely complex issue – does data have originality?

"The information in the directories was collected through processes which I would accept involved human industry and the results of which were stored in a substantial and sophisticated database. However, the creation of the material form of the directories was carried out by a computer program overseen by persons who had no substantive input into those forms. The questions which arise are, therefore, two. First, granted that there must be independent intellectual effort or sufficient effort of a literary nature, is that effort required to be directed at the creation of the material form of the work (here the form of the directories) or does it suffice that the effort was directed at some anterior activity (here the collection of information presented in the directories)? Secondly, if the intellectual effort must be directed at the creation of the material form of the directories, was there sufficient human effort involved in that process in this case to mean that the directories were reduced to a material form by an author or authors?"

Per Perram J

Telstra Corporation Limited v Phone Directories Company Pty Ltd [2010] FCAFC 149, [101]

Copyright v Data

- Implications for Hospitals:
 - Very likely medical records are not copyright materials (readings from sensors, etc)
 - Therefore, potentially medical records are not within scope of IP clauses
 - Always be cautious if a record includes a medical or health care opinion.....

Copyright Co-ownership

- Co-ownership of copyright is a fraught position because of Infringement:

Subject to this Act, the copyright in a literary, dramatic, musical or artistic work is infringed by a person who, not being the owner of the copyright, and without the licence of the owner of the copyright, does in Australia, or authorizes the doing in Australia of, any act comprised in the copyright.

- Translation: **A co-owner exercising copyright without permission of co-owners is an infringer!**
- TIP: Always include cross-licences if you anticipate co-ownership

Intermission

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Who should own what?

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Background IP

HTQ Agreement:

***Background IP** of a Party means the Intellectual Property that is made available by that Party for the purposes of the Project that is either (a) created before the date of the relevant Project Schedule; (b) created or developed by that Party during the Term independently of the Project; (c) assigned or licensed to that Party during the Term independently of the Project; or (d) specified in the Project Schedule as being made available by that Party and, unless specified in the Project Schedule as not included, includes any Improvements to any Intellectual Property contemplated in (a), (b), (c) or (d). For clarity Background IP does not include Medical Records or Study Participant Data.*

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Background IP

First point – The BIP terms are automatic but allows for specification of particular BIP

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Background IP

Second point – **Improvement clauses are potentially very unfair!**

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Background IP Tips

1. Do an **audit** of the **inventory** of what the Parties are contributing – who owns it, what rights exist, do we have a right to use it?

PRO TIP: Each project team should keep a register of all BIP coming into the project.

2. Check the risk of what **improvements** provisions will do to the outcomes – will one party get a huge benefit despite not doing the work?
3. If you don't have the rights to supply the BIP – detail what rights your institution do have and the terms of any encumbrances in the schedule.

Project IP

Step One: Figure out who would be the owner without a contract

- Who are the authors? Who are the inventors?
- Are they bound up by employment agreements, IP Deeds?
- Was it done ‘in pursuance of the terms of employment’?

Project IP

Step Two: Where do you want to end up?

- What are the expected outcomes?
- Do you need to consider IP registration?
- Would **Improvements** be fair in this case?
- Did people put in more than just authorship/inventorship?
- Do you need to own or just have a licence?
- Is Commercialisation a *thing*?

Final Note



The worst possible outcome from lack of IP clarity is that the results and findings end up in a dusty library, never used and never improving our technology base



Questions?