



# The University of Sydney

## University of Sydney (Intellectual Property) Rule 2002

**Approved by:** Senate on 3 March 2002

**Date of effect:** 14 March 2002

**Latest amendment approved by:** Senate on 4 December 2006

**Date of effect:** 1 January 2007

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# University of Sydney (Intellectual Property) Rule 2002

## Preliminary

The Senate of the University of Sydney has approved the following Rule pursuant to section 37(1) of the University of Sydney Act 1989 for the purposes of the University of Sydney By-Law 1999.

This Rule:

- (a) takes effect from 14 March 2002 and
- (b) replaces Part 8 of the University of Sydney (Amendment Act) Rule 1999 in its entirety.

The purpose of this Rule is to deal with matters relating to ownership and development of intellectual property generated by staff and students of, and visitors to, the University of Sydney, recognising that there are sometimes competing demands between publication and the need and desirability for the commercialisation of intellectual property.

## Division 1 – Dictionary

### 1 Definitions

In this Part:

**Sydnovate** means the administrative unit of the University of Sydney that has that name, or any replacement of it;

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

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

**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 program of study, in whole or part, conducted 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;

**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 apply, publish, exhibit, transmit, enhance, use, assign, license, sub-license, franchise, adapt or modify intellectual property;

**Department** means an academic or an administrative unit of the University and includes, without limitation, a centre or an institute of the University;

**Head of Department** means a person who is designated as head of a Department;

**intellectual property** includes rights (including, without limitation, rights of registration or application for registration) relating to:

- (a) literary (including computer programs), artistic, musical and scientific works;
- (b) multimedia subject matter;
- (c) performances of performing artists, phonograms and broadcasts;
- (d) inventions in all fields of human endeavour;
- (e) scientific discoveries;
- (f) industrial designs;
- (g) trade secrets and confidential information;
- (h) trademarks, service marks and commercial names and designations;
- (i) plant varieties; and
- (j) circuit layouts;

but does not include any moral right.

**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 Rule regardless of whether he or she creates the relevant intellectual property alone or jointly with another person;

**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 Rule 12 or by a student under Rule 16;

**staff member** means a person who is a member of the University's academic or non-academic staff (whether full-time, part-time or casual) at the time he or she creates any intellectual property;

**student** means a person who is enrolled as a student of the University at the time he or she creates any intellectual property;

**teaching 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;

**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;

**visitor** means a person who is not a staff member or student of the University (but who may be a staff member or student of another university), who:

(a) takes part in any research, teaching or other activity that would normally be conducted by a staff member or student; or

(b) visits a part of the University in which research or scholarship, or any related activity, is conducted,

at the time he or she creates any intellectual property;

**work** means a literary work, a dramatic work, a musical work an artistic work, cinematograph film, multimedia work or computer program.

## 2 Interpretation

(1) In this Rule, a reference to any law includes any amendment or replacement of it.

(2) This Rule is to be read and interpreted in conjunction with the University's *Code of Conduct for Responsible Research*, as amended from time to time.

## Division 2 - Ownership of intellectual property created by staff members

### 3 University asserts ownership

(1) Subject to Rule 4(1), the University asserts ownership of all intellectual property created by a staff member in pursuance of the terms of his or her employment with the University, including, without limitation, copyright in any material that is (i) teaching material, (ii) computer programs; or (iii) created at the express request or direction of the University.

(2) In the absence of a third party agreement to the contrary, the ownership and the associated rights of all intellectual property generated from a research project funded by any publicly funded research agency will vest in the University.

#### 4 Exceptions to Rule 3

- (1) The University does not assert copyright ownership over any work created by a staff member that is a work of a scholarly nature, including, without limitation, a journal article, conference paper, creative works or proceeding or text (“**exempt intellectual property**”) but subject to the conditions that:
  - (a) the University retains a non-exclusive, royalty-free, perpetual licence to develop that exempt intellectual property anywhere in the world and in any manner the University thinks fit, subject to any obligation that the University may have relating to any moral right subsisting in that work; and
  - (b) if the University exercises its rights under Rule 4(1)(i), then the originator is entitled to a share of any commercial benefit in accordance with Rule 14.
- (2) The University grants to the author of any teaching material that is subject to Rule 3(1) a non-transferable, perpetual, royalty-free licence to use the teaching material created for the sole purpose of teaching any course. This licence does not:
  - (a) include any right of sub-licence; or
  - (b) where the teaching material is a work of joint authorship as defined in section 10 of the *Copyright Act 1968* (C’wlth), does not confer on the author any additional rights to deal with the teaching materials except as a joint author.

#### 5 Sharing commercial benefits

- (1) Subject to Rule 5(2), staff members who create intellectual property over which the University asserts ownership under Rule 3 are entitled to a share of any commercial benefits that the University receives from developing it in accordance with Rule 14.
- (2) The sharing of commercial benefits with staff members in accordance with Rule 5(1) does not apply to any use of teaching materials as an aid or tool for instruction in a course.

### Division 3 – Intellectual property created by students

#### 6 Ownership

The University does not assert any claim in respect of intellectual property created by a student, unless:

- (a) prescribed otherwise by law; or
- (b) that the student agrees otherwise (including in any form prescribed by law).

#### 7 Assignment

- (1) A student cannot be required by the University to assign his or her intellectual property:
  - (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) otherwise, including 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 intellectual property jointly with a staff member or a visitor, the University will negotiate with that student in connection with the development of that intellectual property.
- (2) If a student wishes to participate in any third party activity or in any activity that has, or may in future create intellectual property that may be the subject of development (“**activity**”) then, before that student is permitted to begin 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 intellectual property; and
- (ii) give consent with respect to any moral right subsisting in a work, to the extent that either 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:
    - (a) any requirement to assign that student's intellectual property 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 intellectual property 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).

**Note: Legal advice may be arranged through, as the case may be, the Students' Representative Council or the Sydney University Postgraduate Representative Association.**

- (2) If a student is required to do any thing under Rule 7(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 14 days. However, the response deadline may be reduced by the University, depending on what is reasonable under the circumstances including taking into account any obligations to third parties that the University may have in respect of that activity.
- (3) If a student does not agree to do any thing required under Rule 7(2), or else does not respond to a request to do so, on or before the response deadline, then the University may decline to permit the student to participate in that activity.

## **8 Sharing commercial benefits**

- (1) Students who assign their intellectual property rights and, if required to do so, give consent in respect of any moral right under Rule 7(2) are, subject to any agreement, entitled to a share of any commercial benefits that the University receives from developing that intellectual property according to Rule 14.
- (2) If a student assigns his or her intellectual property under Rule 7(2), the University will pay any stamp duty assessable on any instrument that the University deems necessary to give effect to that assignment.

## **Division 4 – Ownership of intellectual property created by visitors**

### **9 Requirement of confidentiality and assignment**

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 intellectual property of the University; or
- (c) participating in any teaching or research activities of the University (including any third party activity),

("**visitor privileges**"), the University may require that visitor to do one or more of the following things:

- (i) sign a confidentiality agreement on terms acceptable to the University;
- (ii) disclose to Sydnovate, within 14 days of its creation, full details of any intellectual property 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 intellectual property 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.

## 10 Assumption

Unless and until the University gives a visitor notice under Rule 9:

- (a) a visitor is entitled to assume that the University:
  - (i) makes no claim in respect of any intellectual property;
  - (ii) 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 University facilities or intellectual property of the University.

**but**

- (b) must still observe the visitor's obligations under Rule 9(ii).

## Division 5 - Reporting and developing intellectual property

### 11 Staff responsibilities

The *Code of Conduct for Responsible Research*, as amended from time to time, makes it clear that staff have responsibilities in relation to intellectual property protection including, where appropriate, the maintenance of research laboratory records and the prevention of premature public disclosure of research results prior to obtaining intellectual property protection.

### 12 Reporting by staff members

- (1) Staff members who believe they have created any intellectual property for which the University asserts ownership pursuant to Rule 3 must, as soon as possible after its creation:
  - (a) report that fact to their Head of Department and to Sydnovate;
  - and
  - (b) provide full details of the intellectual property created and the names of the originators in a form prescribed by Sydnovate from time to time.
- (2) Staff members who create exempt intellectual property within the meaning of Rule 4(1) must provide a copy of the thing to which that intellectual property relates to their Head of Department within 90 days of its creation or modification.
- (3) In the event that the Head of Department considers that the intellectual property reported in accordance with Rule 12(2) is intellectual property over which the University asserts ownership and is subject to Rules 3 and 12(1) then that Head of Department shall:
  - (a) notify both the staff member and Sydnovate within 7 days;
  - (b) together with the staff member take such actions as required to protect the value of the intellectual property; and
  - (c) provide sufficient disclosure to Sydnovate to enable assessment of the value of the intellectual property.
- (4) If notice is given under Rule 12(1), the University has 8 weeks from the time Sydnovate receives full details of intellectual property reported under Rule 12(1)(b) ("**notice period**") in which to decide whether it wishes to protect or develop that intellectual property ("**reported intellectual property**"). The notice period may be extended beyond 8 weeks with the consent of the staff member who gave notice under Rule 12(1).
- (5) Until the University makes a decision under Rule 12(4), the staff member who gives notice under Rule 12(1) must take all reasonable steps to protect the reported intellectual property. The University encourages staff members to seek advice from Sydnovate on how best to do so.

### **13 Dealing with reported intellectual property**

- (1) If the University:
  - (a) makes no decision by the end of a notice period (or any extension of it); or
  - (b) decides it does not wish to protect or develop the reported intellectual property, then the originator is free, at his or her own cost, to protect or develop the reported intellectual property in any manner he or she chooses.
- (2) Nothing in Rule 13(1) prejudices any right of the University to:
  - (a) claim a share in any commercial benefit received; or
  - (b) recover any establishment costs or continuing costs already incurred by the University, because of any subsequent development of reported intellectual property, unless that right is expressly waived by the Vice-Chancellor in writing.
- (3) If the University decides that it wishes to protect or develop reported intellectual property, then Sydnovate must notify:
  - (a) the staff member concerned; and
  - (b) that staff member's Head of Department.
- (4) If the University decides to protect or develop reported intellectual property in collaboration with a third party, then the originator should be given the opportunity to participate in any negotiations concerning ownership, protection or development of that reported intellectual property, but:
  - (a) negotiations will be undertaken on a case-by-case basis, according to the relevant circumstances; and
  - (b) the University shall make any decisions arising from those negotiations which shall be binding on the originator.

### **14 Distribution of commercial benefits**

- (1) All commercial benefits received by the University shall be distributed as follows, after the University first deducts any costs:
  - (a) one-third to the originator;
  - (b) one-third to the originator's Department; and
  - (c) one-third to the Vice-Chancellor's Innovative Development Fund.
- (2) If it is not practicable to distribute commercial benefits of a non-monetary kind in accordance with Rule 14(1)(b), then the University, after first consulting with the originator, may determine a mechanism for distributing commercial benefits by some other means, which may include, without limitation, the University holding commercial benefits in trust for the originator.

### **15 Where more than one originator**

If there is more than one originator of any reported intellectual property, then any commercial benefits must be distributed according to the individual contribution of each originator to the reported intellectual property, unless those originators agree otherwise, and subject to Rule 14(2).

### **16 Protecting and developing intellectual property created by students**

If students create any intellectual property that they wish the University to protect or develop, then the procedures specified in Rules 10,12, 13 [except Rule 13(2)], 14 and 15 apply, except that, for the purposes of Rule 12(1), they must notify their supervisor and Sydnovate.

### **17 Application of Rules 14 and 15**

The application of Rules 14 and 15 may not be varied in individual circumstances except with the prior written approval of the Vice-Chancellor, or the Vice-Chancellor's nominee.

## Division 6 - Dispute resolution

### 18 Inapplicability of Rule

Rule 19 does not apply to disputes:

- (a) normally dealt with pursuant to the University's *Code of Conduct for Responsible Research*, as amended from time to time; or
- (b) involving third party agreements, unless all parties to those third party agreements first agree to be bound by the procedure set out in it.

### 19 Procedure

- (1) If an originator has any concerns about the manner in which this Rule is interpreted or applied ("**dispute**"), then that person may notify:
  - (a) any other originators; and
  - (b) the Director of Sydnovate,
 about that dispute. Any notice given under this Rule 19 must be in writing and must specify full details of the dispute.
- (2) The Director of Sydnovate must, within 14 days of receiving a notice under Rule 19(1) convene a meeting between all persons notified of a dispute in order to try and resolve that dispute.
- (3) If:
  - (a) a meeting is not convened under Rule 19(2) within the deadline specified; or
  - (b) a meeting is convened under Rule 19(2), but the dispute is not resolved within 14 days of convening it,
 then the party who gave notice under Rule 19(1) or the Director of Sydnovate must notify the Pro-Vice-Chancellor (Research) to that effect, giving full details of the dispute (including any attempts to resolve it).
- (4) If the Pro-Vice-Chancellor (Research) cannot resolve a dispute referred to him or her under Rule 19(3) within 14 days of that dispute being so referred, then the Pro-Vice-Chancellor must refer that dispute to the Vice-Chancellor, giving full details of the dispute and any attempts to resolve it.
- (5) The Vice-Chancellor must consider any dispute referred to him or her under Rule 19(4) and determine that dispute within 31 days of it being so referred. The Vice-Chancellor's determination is final and binding on all parties to the dispute.

## Division 7 - Miscellaneous

### 20 Review Committee

- (1) There shall be an Intellectual Property committee of the University comprising:
  - (a) the Vice-Chancellor or his or her nominee (who shall act as Chair);
  - (b) the Deputy Vice-Chancellor (Research);
  - (c) the Chair of the Research and Research Training Committee of the Academic Board;
  - (d) one academic staff member nominated by the Provost;
  - (e) one non-academic staff member of the University nominated by the Registrar;
 and
  - (f) one postgraduate student nominated by the President of the Sydney University Postgraduate Representative Association.
- (2) The role of the Committee is to monitor the operation of this Rule and, where the Committee considers it necessary, to recommend changes for approval by the Senate.
- (3) The Committee should meet at least once annually, but may meet more frequently if required by the Pro-Vice-Chancellor (Research) to do so.
- (4) At each meeting of the Committee, the Pro-Vice-Chancellor (Research) shall give a report to the Committee about the operation of this Rule during the preceding year.

**21 Savings and transitional**

- (1) This Rule applies to any intellectual property created after the date on which this Rule takes effect.
- (2) If, before the commencement of this Rule a dispute has been notified under Rule 19 but has not been resolved when this Rule commences, that dispute shall continue to be dealt with in the manner prescribed by Part 8 of the *University of Sydney (Amendment Act) Rule 1999* before its amendment.