

GUIDELINES FOR THE INTELLECTUAL PROPERTY OFFICER

The guidelines are published pursuant to Statute 14.1.2, which states that:

"The Vice-Chancellor must appoint a person who has expertise in the area of intellectual property to be the officer to carry out such duties as are assigned to him or her under this Statute by the Vice-Chancellor or by resolution of Council."

The duties of the Intellectual Property Officer ('IPO') are largely detailed in Statute 14.1 — Intellectual Property, but it is anticipated that the IPO will need to exercise discretion in some areas.

This document outlines, in general terms, the standard procedure for intellectual property assignments from the University and the guidelines for the following areas in which the discretion of the IPO is required:

1. Applications for assignment of intellectual property from the University;
2. Applications for adjustments to revenue-sharing arrangements;
3. Applications to exchange financial obligations for equity in a start-up company; and
4. Exercise of the Power of Attorney by the Intellectual Property Officer.

A schedule contains some general notes as to the review process under the Statute.

ASSIGNMENT OF INTELLECTUAL PROPERTY FROM THE UNIVERSITY TO A CREATOR

This section applies to intellectual property developed before 15 May 2000 or to which section 14.1.7 applies.

When a member of the University makes a written application under section 14.1.7, the Intellectual Property Officer ('IPO') will process the application broadly in the following manner.

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The IPO will firstly acknowledge receipt of the application. The IPO will then ascertain the details of the intellectual property and the contribution of the creators and others, including the rights of students and general staff.

The IPO may seek advice from the Head of Department or Dean of Faculty. The IPO will also determine the amount of funds, if any, that the University contributed to the development of the relevant intellectual property and for which it is claiming reimbursement.

The IPO will then advise the applicant of the outcome of the application and, if necessary, prepare a draft deed of assignment for the applicant.

ASSIGNMENT OF INTELLECTUAL PROPERTY THE SUBJECT OF A SPECIFIED AGREEMENT

Ordinarily, a specified agreement determines the ownership of any intellectual property developed under it. It may not be possible to assign intellectual property developed under a specified agreement to the creators. However, the University will use its best endeavours in all circumstances to protect the interests of creators, whether they be staff, honorary appointees or students, of intellectual property developed under agreements to which it is a party. Where appropriate, the University will assist such creators to obtain ownership of intellectual property, especially in respect of intellectual property in works.

ASSIGNMENT OF INTELLECTUAL PROPERTY FROM THE UNIVERSITY TO GENERAL STAFF

Because of the employer/employee relationship any intellectual property developed by an employee in the course of his or her employment ordinarily vests in the employer. Statute 14.1 alters this approach in the case of academic staff.

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The University acknowledges that there may be limited circumstances in which a member of general staff makes such a significant contribution or enhancement to some intellectual property that it may be appropriate for some rights to be assigned to him or her.

When an application of this nature is received, the IPO will consult with the Head of Department or Dean of Faculty as to the appropriateness of the assignment requested.

The IPO will ascertain the details of the intellectual property concerned, including a determination of the rights of other creators.

The amount of University funds to be reimbursed will then be calculated by the IPO in consultation with the Head of Department or Dean of Faculty.

The IPO will conclude the process by preparing a briefing paper for the Vice-Chancellor with a recommendation. The Vice-Chancellor will make the final determination of the application, which will be communicated to the applicant by the IPO.

THE UNIVERSITY EXCHANGING FINANCIAL OBLIGATIONS OF CREATOR FOR EQUITY IN START-UP COMPANY

Statute 14.1.5(1)(b) outlines the general financial obligations on a creator arising from the development of intellectual property. It is sometimes suggested that these obligations on the creator be waived in exchange for the University receiving equity in the relevant start-up company. Such an exchange will only be considered if and when it is reasonable to expect that the University will not be in a worse financial position than if the obligations under the Statute were enforced.

Having received an application for such an exchange, the IPO will confirm the details of the intellectual property and the contributions of relevant parties. If appropriate, advice will be sought from the Head of Department or Dean of Faculty. The IPO will also determine the amount of University funds to be reimbursed.

Once this process is complete, the applicant will be advised of the outcome. If necessary, a draft deed of assignment will be prepared by the IPO in consultation with the Deputy Vice-Chancellor (Research).

The IPO will confer with the Vice-Principal and Chief Financial Officer in respect of the business plan, investment proposal and financial management arrangements.

The Vice-Chancellor will determine, upon the recommendation of the IPO and the Vice-Principal and Chief Financial Officer, how the University equity will be held.

Should the proposed shareholding in the start-up company exceed the ascribed value of \$250,000, the approval of the Finance Committee and of Council is required prior to the University accepting equity in the start-up company.

In all other cases, upon receipt of the equity, the IPO will report the matter to the Vice-Chancellor who will inform the Finance Committee.

ROYALTY SHARING

This section takes effect upon the coming into operation of the amendments to the Intellectual Property statute made by Council on 14 July 2003. It applies where the University has commercialised intellectual property belonging to the University except under section 14.1.5(4).

Where the University receives a share of proceeds from commercialisation of intellectual property any cash proceeds received will ordinarily be distributed as follows:

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| University central | 15% |
| Academic Department | 25% |
| Creators | 60% |

The primary intention of the University in this regard is that -

- (1) the University is to be compensated for the support it has given to the developers in the development, protection and commercialisation of the intellectual property;
- (2) the creator's home department receives a share of the funds in acknowledgement of the role it has played in the development of the successful intellectual property;
- (3) all creators, whether academic staff, students or honorary appointees share on an equitable basis in 60% of the returns;
- (4) where students have been instrumental in the development of intellectual property that is successfully commercialised, they are to be treated in the same way as any other co-creator.

For the avoidance of doubt the general rule set out above does not apply where the University has assigned intellectual property to the creator or creators under the Statute nor where the University has exchanged the financial obligations of the creator under clause 14.1.5 (1)(b) of the Statute for equity in a start-up company.

APPLICATIONS FOR AN ADJUSTMENT IN ROYALTY SHARING ARRANGEMENTS

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Occasionally a creator may seek an adjustment of the royalty sharing arrangements governing the distribution of revenue from intellectual property as set out in these guidelines. Where such a request is made the IPO will make relevant enquiries of the Head of Department or Dean of Faculty, as well as the Director, Financial Operations and the Patents and Royalties Administrator.

The IPO will then prepare a briefing paper for the Deputy Vice-Chancellor (Research). The Deputy Vice-Chancellor (Research) will review the paper in consultation with the Vice-Principal and Chief Financial Officer and then make a recommendation to the Planning and Budget Committee in relation to the matter.

The Deputy Vice-Chancellor (Research) will notify the decision of the Planning and Budget Committee to the IPO who will then advise the requestor and take any other action required to give effect to the decision.

EXERCISE OF POWER OF ATTORNEY BY INTELLECTUAL PROPERTY OFFICER

This section applies only to honorary appointees and students.

To enable the University to meet its contractual obligations to third parties under specified agreements (as defined in the Statute), provision is made for the Intellectual Property Officer to sign any document required to be signed by a creator (whether an honorary appointee or student) as the attorney for such creator.

Where the IPO exercises the power of attorney granted under section 14.1.4(2) or (4) it will be exercised on terms no less favourable to the grantor than could have reasonably been obtained under any other agreement pursuant to which intellectual property would have been assigned in like circumstances.

There are a number of occasions that may arise where such a creator is required to sign various documents in connection with the assignment of intellectual property to the University pursuant to an obligation in a specified agreement. These include, but are not limited to, a deed of assignment or various consents required during the patenting process.

It is University policy that deeds of assignment must be obtained before a student or honorary appointee commences work under a specified agreement. In some circumstances it will not have been possible to obtain a deed of assignment prior to the work commencing. Moreover, if the developed intellectual property is to be commercialised there are a number of occasions during the patenting process where all creators are required to sign official documentation. It may be that there are other occasions where such creators are required to sign documents as contemplated by section 14.1.4(2) or (4).

It is anticipated that in all cases and, particularly in the case of the signing of a deed of assignment, this power will be used sparingly after all reasonable efforts, to the extent practicable, to locate the creator and to obtain his or her signature to the relevant document have failed.

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Where the IPO exercises the Power of Attorney granted under clause 14.1.4, the following steps will be taken:

In the case of a student : (clause 14.1.4(2))

Written notification will be given to the student at the address given in the Student Administration database. A copy will be sent to the student's supervisor. If the student has a University address a copy will be sent there also. That notification will, where practicable, allow 21 days from the date of the notification for the student to contact the IPO to arrange the relevant signatures. If no contact is made within the 21-day period, a further notification will, where practicable, be sent allowing a further 10-day period in which to make contact with the IPO. The second notification will advise that at the end of the 10-day period the IPO will exercise the Power of Attorney without further notice.

After exercise of the power of attorney the IPO will advise in writing the student, the Deputy Vice-Chancellor (Research) and the Dean of the School of Graduate Studies (or other Dean as appropriate) of the exercise of the power and provide to each of them copies of the documents signed. A suitable notation may be made on the relevant student file.

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In the case of an honorary appointee:
(clause 14.1.4(4))

Written notification will be given to the honorary appointee at the residential address noted in the relevant personnel file and to the University location where the honorary appointee normally works. A copy will be sent to the (University) Head of Department. That notification will, where practicable, allow 21 days from the date of the notification for the honorary appointee to contact the IPO to arrange the relevant signatures. If no contact is made within the 21-day period, a further notification will, where practicable, be sent allowing a further 10-day period in which to make contact with the IPO. The second notification will advise the honorary appointee that at the end of the ten-day period the IPO will exercise the Power of Attorney without further notice.

After exercise of the power of attorney the IPO will advise in writing the honorary appointee, the Deputy Vice-Chancellor (Research) and the Vice-Principal (Human Resources) of the exercise of the power and provide to each of them copies of the documents signed. A suitable notation may be made on the relevant personnel file.

EXERCISE OF DISCRETION IN OTHER SITUATIONS

Should a case arise which cannot be dealt with under these Guidelines, the IPO will firstly consult, as the case requires, any of the Deputy Vice-Chancellor (Research), the Senior Vice-Principal, the Vice-Principal and Chief Financial Officer, or, where appropriate, the relevant Dean and the Head of Department in order to develop the University's position.

If the IPO determines that the matter cannot be dealt with under Statute 14.1, he or she will prepare a briefing paper and recommendation for review by the Vice-Chancellor.

REVIEW BY VICE-CHANCELLOR:

Clause 14.1.2 (5) and (6) allow the Vice-Chancellor to review a decision made by the IPO.

The review process is set out in clauses 14.1.2.(6) to (8) . These notes are a guide only and not intended in any way to bind or limit the discretion of the Vice-Chancellor.

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- Any person who claims to be aggrieved by a decision made by the IPO may seek a review of that decision by notice in writing delivered to the Vice-Chancellor within 30 days of the date of publication of that decision.
- The Vice-Chancellor will, within 30 days of receipt of the request for review, advise the person requesting it of the manner in which the review will be conducted.
- The Vice-Chancellor has a wide and unlimited discretion to determine the manner in which the review is to be conducted. This may include referring any matter pertaining to the review to another person for report or advice but the Vice-Chancellor must determine the review.
- The review process does not exclude the rules of natural justice.