

Intellectual Property Commercialisation Policy



Approved by	Audit Committee and Finance & General Purposes Committee		
Date Approved	February 2021	Status	Approved
Policy Owner	Associate VP Business & Economic Development	Impact assessed	Yes
Version	3	Date of next review	February 2024

Version Number	Purpose/Change	Date
1	Introduction of a new approach to IP commercialisation	October 2018
2	An updated approach to IP commercialisation, including amendments to governance and roles and responsibilities	September 2020
3	Updated to new standard policy template and amended to incorporate consultancy as a form of IP commercialisation	February 2021

INTELLECTUAL PROPERTY COMMERCIALISATION

1. Purpose

- 1.1** The Robert Gordon University (RGU) Policy on Intellectual Property Commercialisation (this “Policy”) provides guidance and a transparent framework for the effective management, protection and commercialisation of intellectual property created through RGU research, consultancy and other activity. This Policy forms part of an intellectual property strategy in RGU which is seeking to:
- 1.1.1 Grow the entrepreneurial culture in the University and strengthen its positioning as an innovative University;
 - 1.1.2 Generate revenues for RGU through the commercialisation of intellectual property;
 - 1.1.3 Ensure new knowledge and technology created at RGU is effectively transferred to ensure widest public benefit and impact;
 - 1.1.4 Enable application of RGU intellectual property to the private and public sector to bring value to the economy and support organisations to be more successful;
 - 1.1.5 Set out fair and transparent terms which incentivise activity and provide guidelines for determining the rights and obligations of different stakeholders.

2. Scope of the Policy

- 2.1** This Policy covers Intellectual Property (IP) in all material concerning any of the University’s activities whether research, consultancy, academic practices or other, including IP created using RGU facilities and resources.
- 2.2** This Policy applies to all staff who may undertake the creation of intellectual property whilst under contract to the University and students undertaking research degrees. For the purpose of this Policy, the persons considered to be bound by the terms of this Policy shall be referred to as the “RGU Community”.
- 2.3** IP created by undergraduate students and taught postgraduate students is exempt, save where the University specifically negotiates and agrees otherwise (for example in relation to projects involving third parties).
- 2.4** Also excluded from the Policy are all companies located on RGU premises and their employees, unless otherwise provided by a separate written agreement.

- 2.5** This Policy shall not be interpreted to limit RGU's ability to meet its obligations under any contract or grant or other third-party agreement of any kind.
- 2.6** This Policy supersedes the Intellectual Property Policy, Commercialisation Reward Sharing Policy and the Consultancy Policy and should be read in conjunction with the Conflicts of Interest Policy.
- 2.7** This Policy is managed by Business and Economic Development (BAED), which under the Associate Vice Principal, Business and Economic Development, is responsible for the processes that should appropriately identify, protect and manage RGU IP.

3. Definitions Used in Policy

"Consultancy"	means anything involving the provision of remunerated services by an RGU employee to a third party organisation or individual that takes the form of expert advice and/or assistance with problem solving, and which draws on and/or applies the consultant's knowledge and experience. It includes but is not limited to: professional or technical services including analytical and testing services, "commissions" to make or create something involving the application of professional or technical expertise; and professional or technical advice or guidance to a third party.
"Deductible Expenses"	means all RGU's costs incurred for the assessment, legal protection, maintenance, marketing and commercialisation of RGU Intellectual Property, including but not limited to, taxes, government fees and the costs of any legal proceedings by or against RGU (including any costs or damages assessed against RGU in any such proceedings);
"Gross Revenue"	means all financial compensation received by RGU in exchange for sale or other transfer of RGU intellectual Property Rights, regardless of the form of payment. Gross revenue includes but it not limited to one-time fees and payments, running royalties and other forms of cash benefits, but excludes funds for sponsored research, ancillary services, leases, philanthropy and the like;
"Inventors and Authors"	means all members of the RGU Community who conceive, reduce to practice, author or create Intellectual Property, or who qualify as inventors and authors under the intellectual property laws of any country where RGU may file for legal protection of Intellectual Property;

“Intellectual Property”	means the intangible rights to all discoveries, ideas, inventions, know how, processes, methods, copyright works, databases, technical data and other creative or artistic works. Legal rights in Intellectual Property are protected by various patent, copyright, database right, trademark, trade secret, and other Intellectual Property Right (“IPR”) laws, codes and treaties internationally. Intellectual Property also includes the tangible embodiments of intellectual effort (“ Tangible Research Property ”), such as devices, models, machines, designs, instrumentation, circuits, computer software and hardware, biological materials, chemicals, other compositions of matter and records of research. In this Policy Intellectual Property is to be construed broadly and includes any new form of technology yet to be invented and any new IPR’s applicable thereto;
“Intellectual Property Commercialisation Executive”	means the group with Executive responsibility for intellectual property commercialisation and comprising of the Associate Vice Principal, Business and Economic Development and the Vice Principal, Research;
“Net Revenue”	means Gross Revenue less Deductible Expenses , provided that where Deductible Expenses exceeds Gross Revenue , Net Revenue shall be zero;
“RGU Community”	means all persons who shall be bound by this Policy, namely staff under contracts of employment or other contracted persons and other persons who may participate in RGU research or utilise RGU facilities or resources;
“Spin-out”	means a company or other organisation, based partly or wholly on IP owned by the University and provided to the spin-out through a licence agreement;
“Start-up”	means a company (which may or may not yet be incorporated) or other organisation, which is created to provide products or services based on know-how of staff or students and which requires no access to University owned IP; and

“Traditional Academic Works”

means all scholarly or academic works, regardless of format, made independently through an Author’s initiative, for teaching and other educational purposes including all types of traditional and computer-based teaching, learning and assessment material that is developed, modified and/or used in delivering RGU courses e.g. lecture notes, handouts, material placed on the web, other course material, case studies, assignments. This category also includes all fundamental research undertaken to meet RGU academic requirements. While **Traditional Academic Works** may also meet the definition of **Intellectual Property** and have commercial value, they are created primarily for scholarly or academic purposes.

4. Ownership and Rights to Intellectual Property

4.1 RGU Ownership

4.1.1 Except as otherwise provided in this Policy, all IP conceived, reduced to practice, authored or created by the RGU Community shall be owned by RGU. For the avoidance of doubt, the University owns IP if:

4.1.1.1 The IP was created by a person employed by the University where employment law presumes ownership by the employer, or

4.1.1.2 The IP owner has in writing assigned their rights to the University.

4.2 IPR Ownership Defined in a Contract Agreement

4.2.1 This will normally, but not solely, be part of a commercial or other contract agreement by the University with an external third party, for contract research, consultancy or other services, where the IPR of each party will be set out in the contract. The contract will usually either apportion the IPR to the University, to a third party, or to both jointly. Where the contract is in respect of the University alone this will not prevent employees, who have a legitimate interest, benefiting from any University reward policy for that purpose.

4.3 Waiver in Favour of Inventors and Authors

4.3.1 RGU may upon reasonable grounds, and with the approval of the IP Commercialisation Executive, assign rights in IP to an Inventor or Author, subject to appropriate licences and compensation to RGU and to the extent permitted by law and any third-party agreements.

4.4 Exception for Traditional Academic Work

- 4.4.1 Subject to any agreement with third party sponsors and collaborators, any member of the RGU Community shall retain the right to use their Traditional Academic Works after he/she has left the University's employment. However, the employee may not, having left the employment of the University, use any material(s) that have been produced and/or RGU 'branded' for a specific commercial purpose by or on behalf of the University. This does not however preclude an employee using the specific intellectual content, which was produced or contributed by him/her, for other purposes, having left the University's employment.
- 4.4.2 The employee's rights of retention and use are dependent on them fulfilling their obligations. These include:
 - 4.4.2.1 fully complying with all University IPR policies and procedures; and
 - 4.4.2.2 making such material available to the University for (inter alia) teaching, learning, research and assessment purposes in its original form and thereafter on request in written form or electronically as required by the University.
- 4.4.3 RGU shall have a perpetual, non-exclusive, royalty-free licence to use such Works for research and educational purposes.

4.5 Exempt Intellectual Property

- 4.5.1 RGU shall have no rights to Intellectual Property made by members of the RGU Community in their personal time using personal resources, so long as such Intellectual Property is clearly outside the scope of their appointment with, and duties for, RGU and outside their areas of RGU research interest. All exempt or potentially exempt Intellectual Property must be disclosed under Article 6 and the burden of proving such exemption shall be on the Inventors and Authors.

4.6 Student Intellectual Property

- 4.6.1 IP created by undergraduate and graduate students on taught programmes of study is exempt, so long as it is not developed during the scope of employment by RGU, or governed by a third-party agreement, or developed through use of RGU specialised resources and facilities, other than those incidental resources generally available to all of the RGU Community. Students registered in the Graduate School undertaking research degrees shall be required to sign a Confidentiality and Intellectual Property Undertaking on induction where it is appropriate for them to do so.
- 4.6.2 In such event, IP created during their research and which may be commercialised, shall be subject to the provisions of Article 6.

4.7 Copyright in Student Coursework

4.7.1 All copyright work made by students shall be treated as Traditional Academic Works, subject to RGU's perpetual, royalty free non-exclusive licence to have and to use copies of all such works, including graduate thesis or dissertations and related materials, for research and educational purposes.

4.8 Acquisition of Third-Party Intellectual Property

4.8.1 RGU may acquire rights to Intellectual Property from third parties, including Intellectual Property under Article 5.5, when to do so would substantially further RGU's research or economic development missions. Such transactions include but are not limited to the commercial licence of Intellectual Property from RGU partners. All such transactions shall be governed by their own terms rather than this Policy.

4.9 Tangible Research Property

4.9.1 RGU encourages the public dissemination and broad educational use of research materials, including but not limited to software, firmware, data, biological materials, chemicals and other tangible materials created by members of the RGU Community. No Tangible Research Materials shall be transferred from RGU to a third party without a written agreement, in the form of an appropriate materials transfer agreement.

4.10 Copyright in Commissioned Works and Publications

4.10.1 RGU may engage staff to write for publication or produce copyright materials as part of their professional duties. For the avoidance of doubt, unless agreed otherwise in advance, RGU shall own all such materials, but may provide licences and assignments thereof upon request.

4.11 Copyright in Classroom Performances

4.11.1 All rights in oral presentations, lectures, performances and other live and online educational activities and audio, visual or digital recordings thereof, regardless of format, taught or developed for use by RGU, or at RGU, shall be the property of RGU. These presentations and the recordings thereof may not be reproduced, distributed, performed, or displayed without the permission of RGU, which must be obtained and approved through the Intellectual Property & Spin-Out Development Manager in conjunction with the relevant Head of School.

5. Consultancy

5.1 There will be instances where the commercialisation of intellectual property is through the provision of Consultancy services. There are two distinct types of Consultancy:

5.1.1 RGU Consultancy (within the contract of employment)

5.1.2 Private Consultancy (out-with the contract of employment)

5.2 The University expects that all potential Consultancy is disclosed and agreement is sought prior to undertaking any work. This is to determine whether Consultancy is considered RGU Consultancy or Private Consultancy and subsequently whether there is an RGU interest in that Consultancy. This is also to ensure any potential conflict of interest is declared and managed.

5.3 All Consultancy opportunities should be considered with reference to the Conflict of Interest Policy.

5.4 RGU Consultancy

5.4.1 RGU consultancy is Consultancy which is secured through core RGU business/third party engagement and by virtue of either the institution or individual's academic/professional knowledge and experience. It is:

5.4.1.1 Performed under the auspices of the University;

5.4.1.2 Undertaken by RGU employees in the normal course of their employment and therefore remunerated under their contract of employment with RGU;

5.4.1.3 Undertaken using RGU time and/or facilities and/or resources;

5.4.1.4 Aligned with core University and/or School/Department strategy and objectives;

5.4.1.5 Expected that legal liability will typically rest with the University.

5.4.2 In these instances, the University will retain any remuneration secured from the work.

5.4.3 Approval to proceed is through Business and Economic Development (BAED) who manage the commercial processes associated with RGU Consultancy, including pricing and contracting.

5.5 Private Consultancy

5.5.1 Private Consultancy is Consultancy that an individual has attracted by virtue of their academic/professional knowledge and experience but does not naturally arise from and is not related to the individual's employment.

5.5.2 The university may approve such activity provided:

5.5.2.1 It can reasonably be undertaken out-with the employees RGU contractual commitments;

5.5.2.2 It requires no use of RGU facilities, staff or other resources;

5.5.2.3 There is no actual or potential conflict of interest;

5.5.2.4 The University has determined it has no interest in the Consultancy;

5.5.2.5 RGU is not associated in any way with such Consultancy and insurance and legal liability will rest with the individual.

5.6 In these instances, the individual retains any remuneration secured from the work.

5.7 Approval to proceed with Private Consultancy shall be through the relevant Head of School/Department and the Commercial Manager.

6. Disclosure and Evaluation of Intellectual Property

6.1 Mandatory Invention Disclosure

6.1.1 All IP made by members of the RGU Community, except Traditional Academic Works, must be disclosed to the Intellectual Property & Spin-Out Development Manager in a signed written document in an approved format (the "Invention Disclosure"). Disclosure must be made as soon as practicable and comply with any applicable third-party agreement. Disclosures shall completely and accurately convey all relevant information in a thorough and timely manner and shall be signed by all Inventors and Authors. At the time of the disclosure and continuing thereafter, Inventors and Authors shall promptly disclose all potential conflicts of interest to the Head of School/Department and the Intellectual Property & Spin-Out Development Manager in accordance with the RGU Conflict of Interest Policy.

6.1.2 It is beholden upon the Intellectual Property & Spin-Out Development Manager to review all invention disclosures, to assess whether it is indeed RGU intellectual property and if so what category of intellectual property and to process accordingly.

6.2 Publication and Patent Rights

6.2.1 The RGU Community are required to consider the commercial potential of their work prior to submitting manuscripts, abstracts or other materials for publication or presentation to ensure no patent rights are compromised by public disclosure. Where materials are disclosed to the Intellectual Property & Spin-Out Development Manager within an approved Disclosure which has commercialisation potential, the Intellectual Property & Spin-Out Development Manager shall expeditiously review such materials and provide a recommendation to the IP Commercialisation Executive on proposed next steps, including if patent applications are to be filed.

6.3 Execution of Assignments

6.3.1 At the time of disclosure, all Inventors and Authors, to the extent determined as such, shall formally assign IPR to RGU, in writing, and sign any other documents (such as patent filings) that RGU may require to secure its legal rights to the IP and to comply with third-party agreements.

6.4 Entrepreneur Assistance

6.4.1 To the extent reasonably possible, RGU shall, through the EIG, assist the efforts of Inventors and Authors to form new companies by providing or facilitating technical assistance, patent advice and other services, including arrangement for licencing or other transfer of Intellectual Property to or from third parties. Such assistance may be provided to Inventors and Authors of Intellectual Property that is exempt under Article 5.4 on terms to be agreed upon by the parties.

7. Intellectual Property Transactions and Revenues

7.1 Licencing of Intellectual Property

7.1.1 Invention is translated into real world innovation through the development of products and services that become adopted and used. Innovation based on University IP is delivered by licencing the IP to a third party (a Licence).

7.1.2 For the purposes of this Policy we recognise the third-party Licencee may be an external company or a Spin-out.

7.1.3 RGU shall negotiate appropriate licencing terms with each third-party Licencee, considering the size of the opportunity and potential benefits to RGU when considering its negotiating position.

7.1.4 Where commercial term licencing is inappropriate, RGU IP will continue to be made available on open- access terms in line with SFC policy.

7.1.5 Further detail on the development of, and licencing to, Spin-outs, is detailed below.

7.2 Spin-Out

7.2.1 Where the IP commercialisation route proposed is by means of a Spin-out, final approval and conditions of spin-out rests with the IP Commercialisation Executive who will require evidence that all necessary approvals and agreements are in place.

- 7.2.2 A Spin-out may be declined if the business model or application:
 - 7.2.2.1 Is unlawful within the target market geographies being explored for commercial application;
 - 7.2.2.2 Breaches standard moral or ethical considerations of RGU or the target market geographies being explored for commercial application;
 - 7.2.2.3 Has the potential to bring the University brand, image or positioning into disrepute;
 - 7.2.2.4 Has limited chance of success;
 - 7.2.2.5 Can be better exploited through another commercialisation route e.g. contracted University activity.
- 7.2.3 Licencing to RGU Spin-Out
 - 7.2.3.1 All terms associated with the licencing of RGU IP will be negotiated and defined within appropriate licence and shareholding agreements between the University and the Spin-Out Company;
 - 7.2.3.2 The University will receive an initial equity share (ordinary shares) in the Spin-out Company, the percentage of which will be negotiated and will be no more than 20%;
 - 7.2.3.3 The University will expect non-voting, Board Observer rights on the Spin-out Company Board of Directors, as a minimum;
 - 7.2.3.4 The licence agreement will outline provisions such as the requirement for the Spin-out Company to repay the University any direct costs (Deductible Expenses) relating to the intellectual property; royalties; milestone payments; and payment terms;
 - 7.2.3.5 Other aspects of the final licence terms such as field of use, sub-licencing and exclusivity shall be subject to case-by case consideration and formal agreement between the parties.
- 7.2.4 If the intellectual property is not developed within reason within twelve months of the licence commencement date, the University has the option to take it back. The decision will be made by the IP Commercialisation Executive on behalf of the University Executive and reported to the Finance and General Purposes Committee, acting on behalf of the Board.

7.3 Disbursement of Revenue from Licence

- 7.3.1 Revenues received by RGU through licencing of RGU IP shall be disbursed according to the following rules:
- 7.3.2 The Net Revenues, shall be allocated as follows:
 - 7.3.2.1 33.3% to the IP Inventors and Authors

- 7.3.2.2 33.3% to the research budgets of the School or to the relevant Department(s) to which the Inventors and Authors belong (split equally if more than one School/Department)
 - 7.3.2.3 33.3% direct to the University central funds.
- 7.3.3 This shall be after any deductible expenses, as defined in the licence agreement, have been reimbursed.
- 7.3.4 Any funds from an equity liquidation event (e.g. a Spin-out Company being sold) shall follow the system below:
 - 7.3.4.1 33.3% to the IP Inventors and Authors
 - 7.3.4.2 33.3% to the research budgets of the School or to the relevant Department (s) to which the Inventors and Authors belong (split equally if more than one School/Department)
 - 7.3.4.3 33.3% direct to the University central funds.
- 7.3.5 For the avoidance of doubt, only Inventors and Authors who are not founders of a Spin-out Company will receive payments through the share of licencing income according to the above rules.
- 7.3.6 Inventors and Authors who become founding members of the Spin-out Company would usually take an independent founding equity stake (shares) in the Company. In such case, Inventors and Authors who hold independent equity stakes would not be eligible for any allocation of revenues that might arise from the University's founding equity holding.

8. Policy Governance

8.1 Authorised Transactions

- 8.1.1 The Associate Vice Principal, Business and Economic Development is responsible for protecting, managing and commercialising IP owned by RGU or in which RGU has a beneficial interest, and ensuring that technology transfer practices further RGU's economic development missions.

8.2 Institutional Responsibility

- 8.2.1 The IP Commercialisation Executive will act on behalf of the University Executive to ensure RGU's interests are protected and advanced, including how its IP should be best exploited commercially or otherwise transferred.

8.2.2 Company exits and decisions of similarly high risk may require Finance and General Purposes Committee review and approval through a sub-group, convened as required.

8.3 Dispute Resolution and Appeal

8.3.1 If one or more Inventors or Authors of IP object to RGU's ownership of IP or other interpretations of the IP policy, he or she may object in writing to the IP Commercialisation Executive and if required thereafter, to the Principal.

8.3.2 The claimant shall provide all information that may be helpful to a full and fair resolution of the issues.

8.3.3 Where there are matters that relate directly or indirectly to the employment terms of a staff member it shall remain the policy that the Director of HR (or authorised representative) shall be consulted. Where any dispute involves a research student the Head of Graduate School shall be notified.

8.3.4 The IP policy position in regard to dispute resolution and appeal, shall in no way limit any rights afforded under the RGU grievance or other policies.

8.4 Exceptions and Amendments

8.4.1 In exceptional cases, the IP Commercialisation Executive may, with approval of the Principal, make an exception to the policy where to do so would be reasonable and in the interests of RGU. Such exceptions shall be reported to the Board, through the Finance and General Purposes Committee at their next scheduled meeting.

8.4.2 The Principal may propose such amendments of the IP Policy to the Finance and General Purposes Committee as may be deemed in the interest of RGU.

9. Review

9.1 This policy will be reviewed every three years or as required.



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