

# Business and Community Engagement



## Case Study: Copyright and Research Projects

This publication is aimed at UK further and higher education staff working in areas related to knowledge transfer, work based learning, community links, outreach, CPD, employer engagement, wider participation, and lifelong learning.

It is one of a series of publications produced by JISC Legal to raise awareness of the potential legal issues related to the use of technology by colleges and universities in relation to their business and community engagement activities.

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### Introduction

This case study considers some of the copyright issues which can arise when a college or university is engaged to carry out a research project.

### Background

John is a lecturer with the University of Nowhere's engineering faculty. A construction company wants the University to carry out research for them on the use and suitability of particular materials in prepacked house building kits.

### Stage 1 – The Contract

John decides not to get the Commercialisation Office involved as they will simply

hold matters up. The fee seems reasonable enough and so he simply emails the company to accept the assignment. The company doesn't provide him with a contract, as such, but there have been a number of emails going back and forth which generally describe what the project should cover.

*Even at this early stage, alarm bells should be ringing! First of all, John agrees to work on the project without consulting the University's Commercialisation office. This means that the institution has no knowledge of the project and no control over or input as to its terms. Accordingly, its position could well be prejudiced. If the Commercialisation team was involved, the institution could make sure that the project terms are acceptable and that any risk factors can be managed.*

*Secondly, there does not appear to be any formal contract! There has been an exchange of emails and John has accepted the project – accordingly, there is likely to be a contract of some description. However its terms may be difficult to determine. The scope of the project has been described generally – but is this really sufficient?*

*Any research project should as a minimum have a clearly defined scope with specification of objectives, each party's obligations, milestones, timescales, resources and costs. It should also address the issue of intellectual property – who will own the research findings and the report in which they are presented – and any restrictions on future use.*

*All in all, the project is getting off to a bad start.*

## **Stage 2 – Background Material**

The company provides John with some initial background material to get things moving (i.e. details of the kits, dimensions, the different options for materials etc). John has also managed to track down a previous research report which the University carried out for another construction company on a similar matter. He thinks this will give him a head start on his new project.

*The company has provided John with some background material for the project. It is not clear however who owns that material. Does the company own it? Does the company even have the right to use it? In this situation, the institution should be looking for a warranty from the company that it does own or have the right to use the material and this should be backed by an appropriate indemnity to the extent that it does not.*

*Also, on what basis is this material being provided to John? It is likely that the material is provided for the purposes of the project only. Accordingly, John could not use the material for any other purpose either now or at any time in the future. Ideally, a formal licence should be put in place to clarify the purposes for which the background material may be used. Otherwise, there is a risk that the material may be used for an unauthorised purpose, leaving the institution exposed to infringement proceedings.*

*The previous research report is another area of risk. Who owns the rights to*

*the information in that report? If it was commissioned by a third party, the rights in or to the report (and its findings) may have been transferred to that third party. The university may have no rights to use it, or very limited rights only. Also, the report (and its findings) may be subject to confidentiality obligations. So, if John does use the report, that use may be unauthorised and breach those confidentiality obligations.*

### **Stage 3 – Third Party Involvement**

Due to the size of the project, John decides to enlist the help of one of his undergraduate students, Jason. Jason has a keen personal interest in this area and has already produced a number of papers (in his spare time) which may be relevant to the project. One has even been published by Best Builder Magazine. Also, Jason can work on the project as part of his final year coursework – this will help to keep costs down.

*This raises the issue of ownership of the rights in student work. Generally, and in the absence of a policy or contract which provides otherwise, a student will retain the rights in or to any work which s/he produces in the course of his/her studies. As Jason is working on the project as part of his final year coursework, he could well own the rights in or to the material which he produces. This is discussed further below.*

*Also, Jason will own the rights in the articles which he produced in his spare time. The institution will have no claim to these. The use of such articles (or parts of them) in the research report should be covered by a licence from Jason in the institution's favour, with the right to transfer or sub licence those rights to the company. The paper which has been published may be problematic – as part of the publishing agreement, Jason may have assigned his rights to the publisher absolutely. In this case, unless the use fell within one of the limited exemptions provided by the copyright legislation, the article could only be used with the publisher's permission. Jason would have no say in the matter.*

*Ideally, the institution should have entered into a specific agreement with Jason for the project which dealt with the issue of intellectual property. This should have provided that any background material (i.e. work which already existed) which Jason brought to the table would be licensed to the University for use in the project, with the right to transfer or sub-licence the rights on to the company. It should also have provided that any intellectual property which Jason created during the project would belong to the institution – it would then be free to deal with those rights as it saw fit.*

### **Stage 4 - Resources**

John and Jason carry out the research and produce their report for the company. The previous project was indeed very useful and John was able to use large parts of it in the report for the current assignment. He also used material which he obtained from some of the construction industry resources which the University subscribes to (as an educational user), in particular, the web based resource E-construction. This gave him detailed information on the strengths and durability of the range of materials which he has been asked to consider, and the use of prepacked building

kits in other countries. He has largely incorporated this into his report verbatim.

He also congratulates himself for involving Jason – he has been invaluable to the project. Jason has been contributing to the report and has managed to use parts of his previous work, which helped to save some time. He has also produced a separate guidance note for the company's technical team.

*The intellectual property issues surrounding the previous research report have already been identified. Before using it, John should have clarified whether the institution retains any right to the material and, if so, the extent to which it could be used. Unauthorised use could give rise to infringement proceedings and/or breach of any confidentiality obligations. Similarly, the issues arising from Jason's involvement could place the institution in an awkward position. Do any of the rights in the report vest in Jason? The university cannot transfer rights to the company if it does not possess them in the first place.*

*John's use of the institution's resources could also present a problem. These resources are licensed on an educational basis and so use for commercial purposes would not be allowed. One of the main reasons why educational users can obtain more favourable terms for software and resources is simply because their use of such resources will be for educational (and therefore non commercial) purposes. Any commercial use would therefore be unlicensed and would constitute copyright infringement. It could well result in adverse publicity for the institution and jeopardise its ability to obtain access to those resources in the future. If John wished to use these resources for his commercial project, he should have sought permission from the rights holder.*

## **Stage 5 – Ownership of Output**

Jason intends to present his work to the Student Construction Association as he thinks they will be very interested. John also wishes to make use of the research findings. He feels that the findings would be of great interest to his fellow academics and the construction industry generally. When John mentions this to the company, they immediately object. They say that John has no right to use the research findings or the research report as the company owns the rights to it.

*This is where matters come to a head with the company. The key issues are who owns the report and what can each party do with it?*

*It is not clear who owns the report (and its findings) in this scenario. Certainly, the company would only own copyright if there was something in writing which transferred copyright to the company. In the absence of any such provision, there would be issues between John, Jason and the University.*

*The University's IP policies may provide that all staff and student work vests in the institution. In this case, it would own the rights in the work. Whilst many institutions have an IP policy, the approach to IP ownership very much depends on the institution itself.*

*It is important to remember that, where an employee creates a work in the course of his/her employment, the employer will automatically own the*

copyright in that work. Conversely, where the work falls out with the course of employment, then the employee retains ownership. The scope of a person's employment is determined by their job description.

So, if there were no such policies or any agreement dealing with IP ownership, then the rights in the report may be held jointly:-

- by the institution (if the work fell within the course of John's job description) and Jason, or
- John (to the extent that it was out with his normal duties) and Jason.

As Jason created the guidance note on his own, he would own the rights in that note.

Accordingly, the extent to which any of the parties could use the findings and/or report in the future would have to be assessed against this rather complicated ownership context.

Of course, this could have been avoided. The IP position should have been agreed and set out in the contract. It should have recognised the contributors (and their differing roles) and made provision in light of this. For instance, if the institution was required to transfer ownership to the company, then the institution should have ensured the transfer of rights to it from Jason and John. The contract should also have dealt with the issue of future uses (ie any restrictions on academic publication).

## **Checklist - Copyright and Research Projects:**

- 1 Don't sign anything without authorisation.**
- 2 Seek advice from the relevant department in your institution (i.e. Research and Innovation, Commercialisation Office, IP Officer, Contracts Manager).**
- 3 Any research project should as a minimum have a clearly defined scope with specification of**
  - objectives,**
  - each party's obligations,**
  - milestones,**
  - timescales,**
  - resources**
  - costs as well as**
  - ownership of intellectual property**
- 4 Make sure that the contract is in writing and that its terms are clear and specific (who, what, where, when, how and how much!).**
- 5 Know who will be involved in the project.**
- 6 Take steps to secure the rights from those involved (i.e staff (if out with normal duties), students, consultants).**
- 7 Know what third party material is being used and make sure that you have the right to use it for the project.**
- 8 Be clear about any restrictions on future use of the material and any confidentiality provisions.**

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