

Freedom of Information and Intellectual Property Rights

This document was jointly produced by Dundas & Wilson <http://www.dundas-wilson.com/> and the JISC Legal Information Service.

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Note

The document is one of a series which attempts to illustrate how certain matters relevant to Further and Higher Education are likely to be treated under the Freedom of Information (Scotland) Act 2002 (“FOISA”). Although the information is principally aimed at Scottish institutions some of the information will be of interest to institutions UK wide.

The document summarises the current thinking surrounding the application of the FOISA in relation to intellectual property. Specifically the note sets out how public authorities (referred to as institutions in the note) may be able to protect their research and development and addresses the question of whether the disclosure of information may be in breach of a third parties intellectual property rights, for example copyright.

The document is provided as information only. It should not be relied upon solely. It is advised that where necessary you should seek professional legal advice from a law firm.

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1. Introduction

Freedom of Information is of great importance to the Further and Higher Education Sector in their role as research and development centres. This note will focus on the interaction of Freedom of Information and intellectual property which a Further or Higher Education body (a “public authority”) may own or develop.

1.1 Freedom of Information - General

There are two pieces of legislation which implement the Freedom of Information regime in the United Kingdom: the Freedom of Information Act 2000 (“FOI”) and the Freedom of Information (Scotland) Act 2002 (“FOISA”). For the purposes of this note, we will concentrate of the provisions of the Scottish statute.

From the 1st of January 2005 any person who makes a request for such information from a public authority must be provided with that information, subject to certain conditions summarised below. The legal right of access includes all types of “recorded” information of any date held by Scottish public authorities no matter when it was created or received.

The Scottish Information Commissioner is an independent public official appointed to enforce and promote the FOISA.

The FOISA applies to all Scottish public authorities including the Scottish Executive and its agencies, the Scottish Parliament, Local Authorities, Universities and Scottish Further Education colleges (in this note, collectively “Institutions”).

1.2 Rights of Access

Section 1 of the FOISA establishes the right of access for individuals and corporate entities to:

- All information;
- Held by or on behalf of an Institution;
- No matter when it is generated or received by that Institution; but
- Subject to certain exemptions.

To exercise the right of access, the access request must be made to the Institution in writing or some other permanent form (e-mail is acceptable in most instances). There is no need for the request to explicitly mention Freedom of Information legislation. However, the information requested must be described.

The Institution must respond to such a request within 20 working days. Whilst FOISA does not apply to “private” companies, it does apply to information about private companies held by an Institution, including information provided by a private company to the Institution. So for example, and subject to any relevant exemptions, a Tender received by an Institution may well be subject to disclosure under the FOISA requirements. Such disclosure would be made only after any relevant exemptions had been applied.

1.3 Intellectual Property Rights summary

Intellectual property rights, often known as “IPRs”, allow people to own their creativity and innovation in the same way that they can own physical property. The owner of an IPR can control and be rewarded for its use, and this encourages further innovation and creativity.

In some cases IPRs give rise to protection for inventions but in other areas there will have to be more elaboration of an idea before protection can arise. It will often not be possible to gain IPRs unless they have been applied for and granted, but some IPRs such as copyright arise automatically, without any registration, as soon as there is a record in some form of what has been created.

The four most common types of IPR in the UK are:

- patents for inventions - new and improved products and processes that are capable of industrial application;
- trade marks for brand identity - of goods and services allowing distinctions to be made between different traders;

- designs for product appearance - of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture or materials of the product itself or its ornamentation; and
- copyright for material - literary and artistic material, music, films, sound recordings and broadcasts, software and multimedia.

1.4 Issues

One of the key IPR concerns for Institutions when they are disclosing information is copyright, and this note will address that specific issue. Further IPRs, such as patents and design rights, may be produced by Institutions as part of research projects and there are relevant exemptions available.

More specifically, this note will deal with the following:

- the interaction between FOISA and other statutes which govern IPRs;
- the exemption set out in Section 27(1) (Information intended for future publication) of FOISA;
- the exemption set out in Section 27(2) (Information obtained during the course of research) of FOISA;
- the exemption set out in Section 36 (Confidentiality) of FOISA; and
- the exemption set out in Section 33 (Commercial Interests and the Economy) of FOISA.

Institutions are concerned that Freedom of Information legislation may have a negative effect upon their ability to obtain and/or exploit IPRs. Further, there is a concern that a disclosure requirement under FOISA may cause an Institution to infringe IPRs owned by a third party. This note considers these issues.

2. *infringing IPRs through FOISA disclosure*

Generally, documents and computer files are protected by copyright. The owner of the copyright in a document is generally the author or, where created during the course of employment, the owner is the employer. (For a more detailed examination of the issues surrounding the ownership of copyright particularly in Higher Education Institutions please refer to the paper - "Policy Approaches to Copyright in HEIs" by Ralph Weedon - accessible online at - <http://www.strath.ac.uk/ces/projects/jiscipr/report.html> .)

The owner of the copyright in a document has various exclusive rights including control over the publication of a document. Anyone who publishes a document without the consent of the relevant copyright owner will infringe that copyright and thus may be liable to pay damages to the copyright owner.

The perceived right is that in complying with a Freedom of Information request, an Institution may infringe a copyright held by a third party in the disclosed documents.

There is a statutory defence to copyright infringement where the publication of the copyright material is in order to comply with a Westminster Act of Parliament such as FOI. Thus publication under FOI will not cause an Institution to infringe copyright.

Unfortunately, this protection has not been extended to acts of the Scottish Parliament such as FOISA. The Scottish Executive have acknowledged this was an oversight. However, until this oversight is corrected there is no parallel defence to copyright infringement available for publications under FOISA.

It is important to ensure that when material is disclosed that the recipient is clearly notified that further copying or reproduction is not allowed and that they should contact the copyright holder for permission if they do wish to exploit the disclosed material further.

3. Section 27(1) (Information intended for future Publication)

The FOISA provides a specific exemption from disclosure for information that is intended for future publication. This may be useful for Institutions which want to avoid having to disclose the results of their research and development.

The exemption states that;

“Information is exempt information if –

- (a) it is held with a view to its being published by –***
 - (i) a Scottish Public Authority; or***
 - (ii) any other person,***

at a date not later than twelve weeks after that on which the request for information is made;

- (b) when that request is made the information is already being held with that view; and***
- (c) it is reasonable in all the circumstances that the information will be withheld from disclosure until such date as is mentioned in paragraph (a).”***

However, given the twelve week time limit this exemption is likely to be of limited value. Notably, the FOI (which applies in the rest of the UK) does not contain such a time limit. This exemption was added in order to prevent the media from accessing sensitive information, such as the outcome of a Government investigation, prior to the official publication date.

It is also important to note the qualifications within the exemption itself, i.e. (a) that the information must already be held with a view to publication, and (b) that it is reasonable to withhold the information until the publication date.

As well as complying with the two qualifications within the exemption, this is a qualified exemption and any decision to withhold information will also be subject to the public interest test. In other words - is it in the public interest to disclose the information at the time that the request is made despite the fact that the information is to be published in the future? (For further information see the paper on the public

interest test on the JISC Legal website at
<http://www.jisclegal.ac.uk/publicationspage.htm>)

4. Section 27(2) (Information obtained during the course of Research)

A further exemption which may also assist public authorities involved in the development of intellectual property is the Section 27(2) exemption which states that;

“Information obtained in the course of, or derived from, a programme of research is exempt information if-

- (a) *the programme is continuing with a view to a report of the research (whether or not including a statement of that information) being published by –***
 - (i) a Scottish public authority; or***
 - (ii) any other person; and***

- (b) *disclosure of the information before the date of publication would, or would be likely to, prejudice substantially –***
 - (i) the programme;***
 - (ii) the interests of any individual participating in the programme;***
 - (iii) the interests of the authority which holds the information; or***
 - (iv) the interests of the authority mentioned in sub-paragraph (i) of the paragraph (a) (if it is a different authority from that which holds the information).”***

The exemption would indicate that a research project with defined aims and reporting obligations may fall into this category. There may be a query about ongoing general research which is not carried out with a view to issuing a report or making a publication. However, given the importance that most academics attach to publication this may not be an issue.

This exemption appears to give Institutions wide-ranging rights to withhold disclosure of research results. In particular, Institutions will probably be able to rely on this exemption when a requested FOI/FOISA publication would prejudice the ability to obtain IPR protection. For example if research is being undertaken with a view to patenting the results of that research, because of the statutory condition that a patent, or any information about a patent, cannot previously have been published, disclosure would be likely to prejudice substantially the interests of both the Institution and any individuals involved.

Whilst there is no clear guidance at this time on the interpretation of this exemption, Institutions should ensure that their FOI/FOISA publication scheme sets out the Institution’s policy on publication of research results and application of this exemption.

5. Section 36 (Confidentiality)

Section 36(2) provides that

“Information is exempt information if -

- (a) it was obtained by a Scottish public authority from any other person (including another such public authority), and***
- (b) its disclosure by the authority so obtaining it to the public (otherwise than under this Act) would constitute a breach of confidence actionable by that person or any other person.”***

It is common to find that Institutions have created intellectual property as a result of research produced as part of a collaboration agreement or research and development agreement with other Institutions or individuals. These collaboration agreements often contain confidentiality agreements or clauses which on the face of it prevent the publication of the results of the collaboration. Can these confidential clauses be used by an Institution to deny disclosure of research results under FOI/FOISA?

There is an absolute exemption from the obligation to disclose information provided “in confidence”. It is important to note that this exemption only applies to information received from **another** body or person in confidence and does not apply to information which the Institution generates itself. Information which falls within this section may also be covered under other exemptions, for example section 33(1) (Commercial Interests) as discussed below.

However, this exemption is much narrower than it initially sounds as it only applies in circumstances where a legally actionable breach of confidence might arise.

To put it simply, an actionable breach of confidence is likely to exist where a party has breached a contractual obligation of confidence. However, it can also exist when there is no express contractual obligation of confidence provided the disclosure was of secret information and made on a confidential basis.

This means that an Institution can at first glance claim exemption under section 36 both where it has an express contractual obligation to do so, and also where it has received information where it knows that the discloser expects the Institution to keep it confidential. However, although section 36 is stated to be an absolute exemption it is effectively qualified by its own public interest test/requirement.

In general, a court will not enforce a non-contractual obligation of confidence where to do so would be contrary to the public interest. While this is likely to be a more limited provision than the other instances where the public interest applies in the FOISA (see parallel note regarding the FOISA public interest test), the Scottish Information Commissioner has indicated that he believes that the balance should always be on the side of disclosure.

There is always a risk to an Institution relying on a section 36 exemption that a Court will decide that the underlying duty of confidentiality should be overruled in the public interest. If this happens then the exemption under section 36 would be lost in respect of that information (for further information see the paper on the public interest test of the JISC Legal website at http://www.jisclegal.ac.uk/publications_page.htm).

6. Section 33 (Commercial Interests and the Economy)

In addition to the exemption available for confidential information, the FOISA also recognises that Institutions have concerns about their commercial information and the valuable nature of that information.

Section 33(1) of the FOISA states that;

“Information is considered exempt information if:

(c) It constitutes a trade secret; or

(d) Its disclosure under this Act would or would be likely to prejudice substantially the commercial interests of any person (including without prejudice to that generality, a Scottish public authority).”

The exemption itself is twofold. The information must be a “trade secret”. Alternatively, the disclosure of the information must be likely to have a substantial negative effect on the commercial interests of some person.

A trade secret is usually taken to mean secret know-how associated with the manufacture of a product or formula. However, there is no one definition of what a trade secret is.

The broader exemption of ***“likely to prejudice substantially the commercial interests of any person”*** is one which may allow an Institution to withhold valuable information which would not generally be described as a trade secret.

It is likely however that the Scottish Information Commissioner will closely examine any attempt by a public authority to claim this exemption. The Information Commissioner in his guidance has stated that;

“Public authorities should be aware that changing circumstances could strengthen or weaken the public interest arguments in favour of disclosure.”;

and

“When weighing up the public interest it might be appropriate for the public authority to take account of the possible consequences of a third party successfully taking legal action against it following the disclosure of the information.”

This guidance can be found at

<http://www.informationcommissioner.gov.uk/cms/DocumentUploads/Pub%20Sec%20Contracts.pdf>

The exemption relating to Commercial Interests (Section 33) is not an absolute exemption. Rather it is a qualified exemption and thus in applying the exemption an Institution must apply the public interest test (for further information see the paper on the public interest test on the JISC Legal website at <http://www.jisclegal.ac.uk/publicationspage.htm>).

7. Summary

When a request is received by an Institution which an Institution believes could require the disclosure of either its own intellectual property or a third party's intellectual property, there are a number of provisions in FOISA which should be considered.

When reviewing a request which may involve intellectual property rights an Institution must first establish who owns the intellectual property in the information.

- If it is a third party's information, is there a licence to use the intellectual property in place and what are its terms of this usage?;
- Ensure that if copies of information are provided that the recipient is clearly warned about any copyright restrictions that are in place;
- Clearly mark the copyright of a third party if a disclosure is being made;
- Consider the possibility of disclosure under FOISA when drafting licences for documents which are important to the Institution;
- Consider who requires to be consulted if the intellectual property is subject to research criteria which is itself subject to a collaboration agreement (and may therefore be owned by a number of parties); and
- Consider if any other exemptions contained in the FOISA apply.

Equally. Institutions should not;

- Disclose information without putting in place appropriate provisions to try to protect intellectual property (irrespective of who owns it), for example licence conditions or copyright notices; or
- Use the available exemptions as an excuse to withhold information.

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