

Principles for the Research Council of Norway's Policy on Intellectual Property Rights

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(Italicised text indicates comments on the principles.)

1. Objective

R&D projects funded wholly or partially by the Research Council must safeguard the interests of society. The results must benefit society in a broad sense, both through the development and dissemination of knowledge and through commercial utilisation. The Research Council has an important role to play in promoting the sound management of intangible assets arising from research funded by government allocations.

An overall objective of the Research Council is to ensure that research funding is used in a manner that is beneficial to society. This is the fundamental principle that underlies all other principles in this policy. A key objective of these principles is in fact to maximise the benefits to society from government allocations.

2. Rights

As a general rule, the rights to project results are to be transferred from the employees who have produced the results to their employers. The project results should be made available for research purposes at no charge to all employees involved in the project. In collaborative projects and when an individual has dual employment, the parties must agree on how the ownership and exploitation rights are to be distributed and managed. In exceptional cases, the Research Council may stipulate special provisions concerning ownership and exploitation rights for specific types of grant applications.

An important goal for the Research Council is to ensure the commercial utilisation of, and continued research on, the results produced by projects funded under the Research Council. The Research Council has therefore established that the rights to project results are to be transferred from the researchers (and any other parties who have helped to produce the results) to the institution(s) where they are employed. This corresponds to the principle applied to inventions under the Act respecting the right to employees' inventions, and is in keeping with the objective set forth in the Act relating to universities and university colleges. The Research Council is not to have ownership rights to the results. It is up to the employer to clarify the financial compensation entailed in such a transfer of rights from employees.

The use of research results in further research will normally not conflict with the desire to utilise the results commercially, or with intellectual property rights. The right to use the results for research purposes should not be limited, but instead should be safeguarded in the agreements made in connection with research projects.

In collaborative projects and when one or more of the persons affiliated with the project have more than one employer (dual employment), the situation with respect to rights will often be complicated, as several institutions may claim to have rights to the same project results. To prevent ambiguous or unfavourable situations with respect to rights from interfering with the desired utilisation of project results, the parties must agree in advance as to how these rights are to be distributed and managed; cf. point 6 below. The parties have considerable discretion when deciding how the results are to be distributed based on, among other things,

the significance of the resources each of the parties has brought to the project, and in light of the extent of each party's efforts. If the results have arisen primarily from the intellectual efforts of researchers employed at a university or university college, it may be appropriate to grant the ownership rights to the institution where the researchers, or the majority of them, are employed. Similarly, it may be appropriate to grant the ownership rights to a company or independent research institute if their employees have contributed the most to the project.

The Research Council may for various reasons need to limit the freedom of the parties to determine the content of the contract documents in relation to certain types of grant applications and calls for proposals. This will only apply under special conditions and will always be stated in the call for proposals.

3. Publication

As a general rule, project results must be made known as quickly as possible. If doing so will interfere with the protection or commercial utilisation of the results, the parties may agree to a temporary postponement of publication. In extraordinary cases, it may be agreed to impose permanent secrecy on the results.

In the view of the Research Council, the principle on the publication of research results is fundamental. According to the Act relating to universities and university colleges, researchers have the right to publish the results of their research and are obliged to ensure that such publication takes place. However, the board of an institution may agree to postpone the publication of results when legitimate reasons so indicate. Normally it will not be allowed to impose permanent secrecy on the results produced at universities and university colleges, and such institutions may not participate in collaborative projects with companies that require this.

It may be legitimate to keep the results secret in certain situations so as not to spoil the opportunity to protect or commercially utilise the research results. The postponement of publication on a temporary basis will usually suffice to address this concern, and the parties will therefore be permitted to agree on such a postponement. Permanent restrictions on the right to publish research results produced by researchers at a university or university college may be imposed only to the extent that this complies with legislation, e.g. in cases when publishing the results would entail the disclosure of company secrets protected under the law. Permanent secrecy may also be allowed in specific cases when the results have been produced by researchers who are not employed at a university or university college.

The phrase "in extraordinary cases" implies that the criteria for imposing permanent secrecy are extremely stringent. The circumstances of a case must be so unusual that they deviate substantially from the norm. It may be necessary, for example, to impose permanent secrecy in highly competitive fields when it is not possible to patent results.

4. Protection

The institutions must assess the need to protect project results that may have commercial value and, when so indicated, they must ensure that these results are protected.

The government authorities have encouraged Norwegian institutions to increase their awareness of issues involving the protection of, and possibly establishing legal protection for, their inventions. In 2006 the Ministry of Trade and Industry appointed an expert advisory

committee which proposed an action plan to enhance expertise on industrial rights and focus on ensuring that the rights from publicly funded projects are protected. The committee stated that it would be irresponsible use of government allocations to fund projects in which the intangible assets are not adequately safeguarded. This must be viewed in connection with the institutions' obligation under the Act relating to universities and university colleges to foster innovation and value creation based on R&D activities. The Research Council expects the institutions to develop strategies for intellectual property rights and to set aside the resources necessary for protecting and commercialising R&D results.

The need for protection varies from field to field. In certain fields it will be absolutely necessary to protect the research results, whereas this will be less appropriate in others.

5. Utilisation

The project results must be utilised within a reasonable period of time. If this is not the case, the persons who have produced the results from the project may demand that the rights be returned to them, unless a different agreement has been reached.

Ownership rights to results also entail obligations, and it is a fundamental requirement that the results from research projects funded under the Research Council are utilised.

An important reason for the amendments made in recent years to the Act relating to universities and university colleges and the Act respecting the right to employees' inventions is that the research results produced by the university and university college sector must be utilised and that these must benefit society. The principle of utilisation is fundamental and is given high priority.

The requirement to utilise research results will vary according to the type of results and their potential. If the results have commercial potential, the Research Council requires that an attempt be made to utilise this potential. In other cases, this requirement may be satisfied by using the results in education and further research.

The phrase "a reasonable period of time" is used to provide the greatest possible degree of flexibility. It is the project participants who will normally decide what constitutes a reasonable period of time for a specific project. This must be stated in the plans for utilisation in the project description or in the consortium agreement for collaborative projects. There will be great variation from field to field. In the IT field a reasonable period of time will perhaps mean a few months, whereas in the field of biotechnology it may take several years before results can be utilised. The crucial point in all cases is that the institution which has assumed the rights must demonstrate reasonable activity with a view to utilising the results. Should questions be raised regarding the timeframe for utilising the project results, a detailed explanation of the plans for further development activities should be provided.

If the results are not utilised within a reasonable period of time, it will be natural for the rights to be returned to the person or persons who have produced the results and who previously transferred their rights to an employer or to another project participant. However, other solutions may be agreed on, e.g. that the rights in such cases are to be transferred to another project participant. Please see under point 2 regarding the obligation to clarify the situation regarding rights in collaborative projects and when a researcher has dual employment.

The principle that the project results must be utilised within a reasonable period of time applies to all means and areas in which there is a potential for utilisation. If a result may be utilised by different means or in different areas, and the rightholder only utilises the result in one way, or by a few means or in a few areas, the rights for the unused means and areas of utilisation may be returned or transferred; cf. also point 6 d) below.

6. Consortium agreement

With regard to collaborative projects, a consortium agreement governing the relationship among the project participants must be drawn up before the parties enter into a contract with the Research Council.

The intention of this principle is to ensure that the collaborative partners have clarified the questions and issues related to project implementation before they enter into a contract with the Research Council. Both the relationship between the institutions and the relationship with participating researchers should be included. This will help to lay the foundation for a fruitful collaboration among the participants in the project.

Principles for consortium agreements:

- a) The use of, and any compensation for, the background knowledge brought into the project must be included.**

It is essential for all collaborative projects that the participants contribute the background knowledge which they possess and which is necessary for ensuring the success of the project. The starting point may be quite different from project to project, and these issues must therefore be clarified in the consortium agreement.

- b) The consortium participants must have access at no charge to the project results produced during the course of the project and which are necessary for implementing their own work in the project.**

This principle is intended to underscore the importance of cooperation in the project and to ensure that all the participants have access to the results which are needed to move the project forward. It is also meant to ensure that the access to results that each participant needs to carry out their own work in the project is free of charge, regardless of which consortium participant has produced the results concerned.

- c) With regard to commercial utilisation, the consortium participants must have access to the project results and background knowledge, according to the agreed upon terms, when this is necessary in order to utilise their own results from the project.**

This principle is vital for ensuring that the results are used to benefit society. If one party is dependent on another party's project results or background knowledge in order to make commercial use of their own project results, access to the results must be provided. It is possible, however, to agree to compensate the parties for the results and background knowledge that will be used in this way. Access must be provided according to the agreed upon terms. The parties may not stipulate unreasonable terms for providing such access.

- d) The research institutions should have the right to assume the ownership and exploitation rights to the results from the project which lay outside the commercial interests of the other project participants.**

The main intention of this point is to ensure the broad-based utilisation of research results to the benefit of society. Experience shows that many companies limit the utilisation of their results to their own business sphere. The project results which lay outside the companies' commercial interests should therefore be made available to the research institutions in the consortium.

The term "commercial interests" is meant to encompass the companies' relevant development potential. This principle must be viewed in connection with the requirement that the results are to be utilised within a reasonable period of time, cf. point 5 above. Within this time period it should be possible to ascertain a company's relevant development potential.

- e) The educational institutions should be able to use the project results at no charge for educational and research purposes, possibly after an agreed upon time period has elapsed.**

The main task of the universities and university colleges is research and education, and it is crucial to meet their need to utilise the best and most up-to-date research results. Under this principle, it is possible to agree to postpone the educational institutions' use of the other consortium participants' project results in educational activities, cf. point 3 above. The option to postpone utilisation will vary from project to project. The educational institutions must take into account any needs relating to confidentiality when they utilise the results.

This Policy was adopted by the Executive Board on 24 April 2008.