

Intellectual Property Rights

Sample survey of university revenue sharing policies

In February 2000 the Association produced a model agreement on intellectual property rights.

In order to guide LAs in negotiations over this issue, a sample of university policies on revenue sharing in respect of the exploitation of intellectual property was taken and the results are described below. Revenue from patented inventions and copyrighted material are both covered by the policies. Normally universities are the first owners of intellectual property and intellectual property rights generated by their employees, although many waive their rights to the copyright of normal academic publications.

EC/4798a recommended that 'the employee(s) concerned should take the first tranche of revenue received by the institution, without deduction of the institution's costs, up to a specified figure'. Only one institution in the sample, the University of Bristol, grants the first tranche of revenue to the individual without deducting its costs. Two other institutions, City University and the University of York, do not take any of the first tranche of revenue other than their costs. The other universities take a share and deduct costs from the first tranche of revenue.

Best practice indicates this first tranche of revenue should be £5000.

EC/4789a recommended that, after the first tranche, 'net income should be divided in such a way that the institution gets a greater proportion and the employee a smaller, as the cumulative income of the individual employee from intellectual property created in the institution's employment increases. The proportions would fall into three bands'. This is generally the case as can be seen from the following revenue sharing policies.

1. Bristol (See: <http://www.bris.ac.uk/Depts/IPMU/roy-new.htm>)

100% of the first £4000 received, gross of costs, goes to the individual (as advance allocation of part of the share of the first £15000, net of costs, received). The next call on income is the recovery of all outgoings by the university; for example patent and legal costs, thus reducing the gross income to a net sum. Further income, received after the initial payment of £4,000 has been made and after the recovery of university outgoings, is apportioned as follows:

Revenue	Individual(s)	Department(s)	University
£0 gross – £15K*	70%	15%	15%
£15K net - £75K net	50%	25%	25%
Greater than £75K net	1/3 rd	1/3 rd	1/3 rd

*Assuming net income of £15,000 has been received, the individual(s) receive a total of £10,500 which *includes* the initial payment of £4,000.

2. City University (See: <http://www.city.ac.uk/personnel/terms/intprop.htm>)

City University divides revenue as follows:

Revenue*	Individual(s)	University
Up to £5K	100%	nil
£5K - £50K	75%	25%
£50K - £100K	50%	50%
Over £100K	25%	75%

* Net of costs

3. Oxford (See: <http://infol.ox.ac.uk/gazette/1999-00/weekly/251199/agen.htm#1Ref>)

The coverage of the policy at Oxford University has been specifically extended to include additional forms of intellectual property, such as 'courseware' (or electronic course materials) commissioned by University departments or generated with departmental funds.

Where responsibility for the exploitation of intellectual property is given to a research council, industrial collaborator, or sponsor, any net revenue received by the University is distributed as follows:

Revenue*	Individual(s)	Department(s)	University
Up to £50K	90%	0%	10%
£50K - £500K	45%	25%	30%
Over £500K	22.5%	37.5%	40%

Where responsibility for the exploitation of intellectual property is given to Isis, any net revenue received by Isis is distributed as follows:

Revenue*	Researcher(s)	Department(s)	University	Isis
Up to £72K	63%	0%	7%	30%
£72K - £720K	31.5%	17.5%	21%	30%
Over £720K	15.75%	26.25%	28%	30%

* Net of costs.

4. Imperial (See: <http://www.ad.ic.ac.uk/rescon/investors.htm>)

For a limited class of items subject to copyright, for example scientific textbooks, Imperial College waives its rights to the copyright in its employees' works, and allows individual employees to exploit the copyright works to their own benefit.

Revenue*	Individual(s)	Department(s)	University
First £50k	75%	12.5%	12.5%
£50K -£200K	50%	25.0%	25.0%
Over £250K	25%	37.5%	37.5%

* Net of costs

5. Durham (See: <http://www.dur.ac.uk/Personnel/ph46.htm>)

Revenue is shared as follows:

Revenue*	Individual(s)	Department(s)	University
Up to £5k	90%	5%	5%
£5k-£25k	75%	12.5%	12.5%
£25k-£50k	50%	25%	25%
£50k-£100k	33%	33%	34%
Thereafter	25%	37%	38%

*Net of costs

6. Umist (See: Umist's 'Notes for Guidance on Undertaking Work for Outside Bodies')

Revenue is shared as follows:

Revenue*	Individual(s)	UMIST/ADRC**/DEPT
First £5K	80%	20%
£5K - £20K	66.6%	33.4%
Over £20K	50%	50%

*Net of costs

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7. Aberdeen (See: <http://www.abdn.ac.uk/staffhb/>)

Net income from Intellectual Property exploitation is shared 1/3 to the individual(s), 1/3 to the department(s) and 1/3 to the university.

8. York (See: <http://www.york.ac.uk/admin/aso/ordreg/r12.htm>)

York University does not assert ownership of copyright in books, articles (including journalism), lectures, or artistic works, other than that specifically commissioned by the University. However, the university will relinquish ownership of copyright in computer software only if it can be satisfied that such software will not have large-scale application.

Revenue*	Individual(s)	Department	University
First £1K	100%	0%	0%
£1K - £5K	80%	10%	10%
£5K - £30K	70%	15%	15%
Thereafter	50%	25%	25%

* Net of costs