



Faculty of Law



# Universities and IPR in the Nordic countries

## Patents and Universities: Mixing oil and water

Professor dr.jur. Jens Schovsbo, PhD

Sted og dato (Indsæt --> Diasnummer)  
Dias 1



## Biobanking (by universities) and IPR

- Intellectual Property Rights (IPR)
  - System of laws that provide for exclusive rights over information
    - control access and use
    - Aim: Incentivise and tech diffusion
  - To biobanks the most relevant area is:
    - Patents
      - Apparatus, chemicals, methods, genes/proteins etc.
    - Database rights (copyright)
      - Collection of data



## Who is the right holder in patent law? The researcher or the university?

- The traditional starting point: “The Professor Privilege”
  - No transfer of rights as part of the employment and professors may take out patents themselves.
- Now: General movement towards “Bay Dole”-style legislation which
  - i) seeks to patent inventions which spring from university research and does so by
  - ii) a property shift which transfers (patent/invention) rights to universities.

**Table 1**  
Ownership of IPRs at universities in selected European countries.

Country	Institution	Inventor
Austria	♦ (2002)	
Belgium	♦ (1997/98)	
Czech Republic	♦ (1990)	
Denmark	♦ (2000)	
Finland	♦ (2007/2010)	◊
France	♦ (1982)	
Germany	♦ (2002)	◊
Greece	♦ (1995)	◊
Hungary	♦ (2006)	
Italy		♦ (2001/2005)
The Netherlands	♦ (1995)	◊
Norway	♦ (2002)	
Poland	♦ (2000)	
Slovak Republic	♦ (2000)	
Slovenia	♦ (2006)	
Spain	♦ (1986)	
Sweden		♦ (1949)
Switzerland	♦ (1911)	
UK	♦ (1977/1985)	

‘◊’: Inventor ownership is assigned on certain types of inventions. In brackets: years in which last change in regulation took place.

Source: A Geuna, F Rossi; Changes to university IPR regulations in Europe and the impact on academic patenting, Research Policy, 2011 - Elsevier  
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## Denmark as the example

- Act No. 210 of 17 March 2009 on inventions at public research institutions (Commercial application of rights, etc.):
  - **§ 1.** It is the purpose of this Act to ensure that research results produced by means of public funds are utilised for the benefit of Danish society through commercial exploitation.
  - **§ 2.** The Act applies to inventions made by an employee as part of his work at an institution
  - **§ 8.** If an employee has made an invention as part of his work, the institution has a right to transfer to itself the rights attached to the invention.
  - **§ 10.** (1) If an employee has made an invention as part of his work, he shall notify the institution hereof in writing without undue delay. In this connection, the employee is under an obligation to provide the institution with all necessary information as directed by the institution. (3) The employee may neither publicise nor have the disposal of an invention before the institution has provided written confirmation ...
  - **12.** If the rights to an invention which has been transferred to the institution under section 8 of this Act have been exploited commercially, the employee responsible for making the invention is entitled to reasonable compensation from the institution.



## Why this development?

The basic premise

- Patents = Money
- “Europe lacks behind the US” in terms of universities’ contribution to the number of patents

Three basic assumptions:

- 1) University research = inventions
- 2) University ownership = more patents (i.e. more incentives)
- 3) Universities = Tech transfer (i.e. diffusion)



## University research = inventions?

- Universities conduct basic research. Inventions which are linked to such research often
  - Come close to being (unpatented) discoveries
  - relate to basic (up stream) technologies
- This in turn may have broader impacts:
  - The patent requirements may move “downwards”
  - Hold-up problems may occur
- Patents don't incentive university researchers
  - and universities depend on public funding
- Conclusion: The typical university patent doesn't fit well in the patent matrix. University patents may have negative effects on the patent system and on innovation



## University ownership = more patents?

- Does university ownership lead to more patents as such?
- Probably not

“Academic Patenting and the Professor’s Privilege: Evidence on Denmark from the KEINS database” by Francesco Lissoni, Peter Lotz, Jens Schovsbo, and Adele Treccani (forthcoming in Science and Public Policy, October 2009)

- When assessing university generated patent activity one should look at BOTH university-owned patents AND university-invented ones.



## Universities = good patent holders?

- A good patent owner is someone who uses patents according to the ideas behind the patent system i.e. in the interest of society in innovation and technology diffusion
- Structural difficulties
  - Universities are not businesses
  - Universities are funded by the public
  - University administrations (including tec.-trans units) are normally understaffed and underfunded
- AND the Acts make the accumulation of licensing fees the primary succes criterion
- Conclusion: Universities (as all other Non-Practicing-Entities) CANNOT generally be expected to be good patent owners

See more: Mark A. Lemley, *Are Universities Patent Trolls?*, 18 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 611 (2008).





## Conclusion: What should universities do?

- Cherish “Alma Mater” and acknowledge a special social responsibility to keep basic knowledge free for everybody to use
  - Object to rules which impose ownership of inventions on universities. Explain to politicians that such rules are normally bad for society and for universities and businesses and have hidden and unwanted effects on the patent system and on university behavior and values
- If that doesn't work: Opt for restrictive transfer models e.g. models which make transfer of rights from employees voluntarily
- Apply a restrictive patent policy: Patent few inventions and NEVER inventions which particularly harmful to research and development (e.g. research tools and inventions in new fields which are close to being discoveries)
- Adopt clear strategies for licensing and make the strategy serve the goals of the university: Universities shouldn't patent to make money but to create wealth in society. Take special care towards the non-commercial use by other universities, developing countries, and of “essential” technologies (e.g. climate or medical technologies)
  - Avoid exclusive licensing!



