Government Intellectual Property Policy and Best Practice Guidelines

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Foreword

Western Australia’s success in the knowledge-based economy depends on having effective systems to support innovation. This Policy will support the achievement of objectives outlined in the Delivering a Better Government and the Innovate WA strategies. The Policy comprises an integral part of Government’s strategies for the development of the State.

Western Australians are innovative and creative in finding new and improved solutions to meet the State’s needs. Government resources are utilised in many innovative and creative activities which are undertaken by Government, by the Business Community under contract, collaboratively with other organisations and by recipients of Government grants.

These innovative or creative activities may involve the development of new technologies, the application of existing technologies, scientific research, or other creative endeavours. At the same time valuable intellectual property (IP) assets may be generated including patentable inventions, copyright material, new plant varieties, valuable trade secrets, registered designs or trademarks.

The results of the innovation or creativity may be able to be used by public and private sector organisations in Australia or overseas or by the Western Australian community. This provides opportunities for the IP to be utilised or commercialised to the benefit of Western Australians.

Western Australian business can also obtain access to valuable opportunities by working with Government agencies in the development and commercialisation of IP and by purchasing or licensing the IP to take it to the market. Experience gained in commercialising this IP can be applied to the commercialisation of IP generated in other sectors and will increase the State’s capability to capture opportunities arising from knowledge-based industries.

Recognising, developing and capitalising on IP accelerates industry capability, creates employment and can act as a catalyst for establishing new export industries.

The Government Intellectual Property Policy and Best Practice Guidelines promote both a blueprint and a challenge to Government Agencies to work with the business community to recognise and harness the value of IP for the benefit of all Western Australians.

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MINISTER FOR STATE DEVELOPMENT; CHAIRMAN, GOVERNMENT INTELLECTUAL PROPERTY POLICY COUNCIL
Introduction

Valuable intellectual property (or IP) is developed by, and for, the Western Australian public sector. The IP includes computer software, educational and training packages or tools, inventions and plant varieties. This IP evolves through the diverse activities of the Government in providing services to the Western Australian community.

This IP can be used, managed and commercialised to provide economic, environmental and social benefits for Western Australian businesses and the broader community, as well as Government.

The benefits to Western Australian businesses include revenue, expansion of business opportunities and improved international competitiveness.

IP commercialisation activities can have flow on benefits to the community that arise from wealth generation including increased employment.

The benefits to Government include revenue that may be raised, enhanced industry capability, and a positive and respected reputation for the development of innovative and technological solutions.

The Western Australian Government first introduced an IP Policy in 1987 in recognition of the increasing importance and value of Government IP. Over the years Government has revised and refined its approach to IP.

This revision of the Government’s IP Policy retains the ‘good government’ objectives of the previous policies but contains a much stronger industry and economic development emphasis than its predecessors. This is evident in the Policy’s encouragement of Government collaboration with the business community to develop and commercialise IP that has been developed with Government resources.

The Government Intellectual Property Policy also comes with new Best Practice Guidelines.

Information on further assistance available for IP related matters is provided in Appendix 1.
Application and Interpretation

Application

The Government Intellectual Property Policy applies to all Western Australian Government Agencies, including departments with their own enabling legislation and statutory corporations that are under the direct control of a Minister.

This Policy does not apply to the group of Western Australian Government organisations described as Government Trading Enterprises including the Water Corporation, Western Power and the Port Authorities unless their boards elect to apply the policy or they are specifically directed by their Minister to comply with the Policy. However those organisations are encouraged to consider and apply the intentions of the Policy in their organisations.

This Policy replaces the Government Intellectual Property Policy 2000.

Interpretation

Throughout this Government Intellectual Property Policy and Best Practice Guidelines defined terms are capitalised.

For the purposes of this Policy:

“Allocation” or “Allocating” or other similar variations on those words means the vesting or assignment of ownership to IP and vesting of or grant of licences to IP including for the purpose of Commercialisation.

“Benefit to Western Australia” or “Benefit of Western Australia” means economic, social and or environmental benefits to Western Australians.

“Business Community” includes universities and research institutes (when engaged in business activities), start up companies, and businesses of all sizes.

“Collaborative Developer” means a person or organisation who jointly develops IP with Government employees in the course of those persons employment by a Government Agency.

“Commercialise”, “Commercialisation” and “Commercialising” in relation to “IP” and means the commercial exploitation of the results of innovation and creativity including related IP rights or the licensing or sale of IP for a commercial return.

“Contracted Developer” means a non-Government person or organisation contracted by a Government Agency to develop IP or to provide services that would be likely to result in the development of IP under a Government Contract.

“Government” means the Government of Western Australia.

“Government Agency” means all agencies, departments and public authorities forming Western Australian Government other than the group of Western Australian Government entities sometimes referred to as Government Trading Enterprises including the Water Corporation, Western Power and the Port Authorities.

“Government Contract” means a contract between a Government Agency and a Contracted Developer for the provision of goods or services to the agency or to a third party which may result in the development of IP.

“Government Intellectual Property Policy” or “the Policy” where the context permits means the content of pages 6 to 7 including the Policy Statement, Key Principles and the text on optimising the benefit to Western Australia.
“Government Intellectual Property Support Unit” means the unit located within the Department of Industry and Resources with the role of assisting Government Agencies in the implementation of this Policy and referred to in Appendix 1.

“Government Purposes” means any purposes associated with the operations of Government Agencies including the delivery of services to the community and ancillary purposes.

“Government Resources” means financial, physical or human resources of or under the control of the Western Australian Government.

“Grant Recipient” means a non-Government person or organisation that receives funding from the Western Australian Government in the form of a grant as opposed to a contract for services or loan.

“Guidelines” means the Best Practice Guidelines contained in this document.

“Innovation” means the physical manifestation of the results of intellectual activity in the industrial, scientific, literary, artistic, musical and dramatic fields.

“Intellectual Property” & “IP” means the legal rights which result from intellectual activity in the industrial, scientific, literary, artistic, musical and dramatic fields and includes all rights, including, without limitation:

(a) patents, copyright (including moral rights), rights in circuit layouts, plant breeders’ rights, registered designs, trade marks, and the right to have trade secrets kept confidential

(b) any application or right to apply for registration of any of those rights; and

(c) any rights which may be introduced or come into existence through international and national laws.

NOTE: Intellectual property rights are complex in nature and vastly different from rights in physical property. More information on the nature of IP is provided in publications available at: www.doir.wa.gov.au/ip

“Management”, “Manage” or “Managing” in relation to “IP” and where the context permits means all activities in relation to or dealings in IP other than the Allocation of IP including, without limitation, the identification, protection, securing, recording IP, IP issues relating to contracting, human resource related IP issues.

“Rights Recipient” means a non-Government person or organisation to whom rights to IP developed with Government Resources is Allocated.
The Government Intellectual Property Policy

Policy Statement
Intellectual Property (IP) created with Government Resources is a major potential source of value to the Western Australian economy and community. Government will actively seek to optimise the economic, social and environmental benefits to Western Australians from the use and Commercialisation of that Intellectual Property in conjunction with the Business Community.

Government Agencies will ensure that:

A. IP created with Government Resources is identified, captured, suitably protected and responsibly managed.

B. Rights to IP are allocated to optimise the Benefit to Western Australia from the use and Commercialisation of the IP.

C. Creativity and Innovation resulting in the creation of valuable or useful IP with Government Resources is encouraged and incentives are provided to Government employees where appropriate, noting that monetary rewards should only be paid from revenue received from the Commercialisation of the IP and can only be paid with the approval of Executive Council.


Key Principles
In Managing and Commercialising IP generated with Government Resources Government Agencies will operate consistently with the following Key Principles:

1. to manage and utilise their IP to enhance delivery of services and performance of core functions.
2. to preserve and enhance the operational value of the IP;
3. to maintain and build upon core business;
4. to work in a spirit of cooperation with the Business Community in the development and Commercialisation of IP;
5. to adopt risk management methodologies to ensure that Government is only exposed to an acceptable and managed level of risk;
6. to seek to apply best practice in the Management and Commercialisation of IP; and
7. to operate in an accountable manner and be prepared to justify their processes and decisions in an auditable and transparent way.
Optimising the Benefit to Western Australia

Compliance with requirements in this Policy for a Government Agency to act in or for the Benefit of Western Australia will involve the identification and weighing of interests affected positively or negatively by the Government Agency’s actions. The factors set out below may be used to aid Government Agencies to assess how proposed actions may benefit Western Australia.

Factors for consideration in determining the “Benefit to Western Australia”

1. Contribution to the development of the Business Community.
2. The inclusion of small to medium businesses in IP related opportunities.
3. The development of employment opportunities.
4. Enhancement of human capital through skill and knowledge exchange.
5. Revenues flowing into Western Australia as a result of the commercialisation of the IP.
6. Capital investment in knowledge based industries and research and development infrastructure.
7. Increases in Government efficiency and effectiveness.
8. Social and environmental benefits from broader take up of the IP in the community.
9. Creation of new research and training opportunities.
10. Transfer of technologies from other jurisdictions to Western Australia.
11. Creation of new knowledge based industries.
12. Any potential positive economic, social or environmental impacts.
13. Other relevant factors.

Retention of Revenue by Government Agencies

Government recognises the importance of providing an incentive for Government Agencies to meet the objectives of this Policy. Government Agencies should therefore generally be entitled to retain some, if not all revenues received by them from the Commercialisation of IP.

Revenue can be retained by a Government Agency having specific legislative powers to retain revenues or by having net appropriation arrangements under section 23A of the Financial Administration and Audit Act 1985 (WA). Requests for revenue retention are considered on a case by case basis and the Treasurer is likely to agree to a Government agency retaining revenue if a sound business case is presented and the revenue is to be applied to high priority Government outputs or projects. Agencies that are funded via another agency rather than from direct appropriation will need to obtain the consent of the relevant agency or Minister to retain revenues.

Review of Policy

As soon as practicable after the expiry of four years from the release of this Policy the Government Intellectual Property Policy Council (GIPPC) will conduct or commission a comprehensive review of the Policy and will report to the Minister for State Development within six months after the commencement of the review.
Best Practice Guidelines

These Guidelines are intended to assist Government Agencies in complying with their obligations under the IP Policy and to lead to a consistent approach. The Guidelines also support Government Agencies’ obligations to be responsible for the Management of their IP assets and IP related projects under the Financial Administration and Audit Act 1985 (WA) and the Public Sector Management Act 1994 (WA).

Government’s IP dealings are addressed in these guidelines in the two main areas of “Management of IP” and “Allocation of IP” and a third section addressing the provision of incentives to Government employees.

The Guidelines are not intended to be comprehensive but cover the most significant issues where Government Agencies may require guidance and direction. In order for a Government Agency to effectively apply and meet these Guidelines it will require a moderate level of understanding of the Management and Commercialisation of IP. More information on the management and commercialisation of IP is provided in publications available at:


Contact information for further assistance is provided at Appendix 1.

A. MANAGEMENT OF INTELLECTUAL PROPERTY

General issues in the Management of IP

Best practice for Government Agencies in the Management of IP includes:

A.1 having agency specific processes in place for the Management of IP which form an integral part of the agency’s processes including (where relevant):

- contracting processes;
- research processes (including research approvals etc);
- finance and budgeting processes; and
- product/material development processes;

A.2 regularly reviewing and continually improving IP related activities and processes;

A.3 learning from the experiences of others including other Western Australian Government Agencies; and

A.4 ensuring that IP ownership is clear and traceable.

Identifying, Protecting and Recording IP

Best practice for Government Agencies in identifying, protecting and recording IP includes:

A.5 having appropriate mechanisms in place to identify IP generated:

- by Government employees in the course of their duties;
- in the course of Collaborative Activities; or
- by Contracted Developers in the course of Government Contracts;

A.6 in the case of research activities, maintaining adequate records in order to prove the date of the invention (due to the “first to invent” rule which applies in the United States of America);

A.7 taking reasonable steps to protect and safeguard Government owned IP noting that:

- some forms of IP are protected automatically (copyright, trade secrets, circuit layouts) and other forms require active steps to be taken to obtain protection including registration of the rights (eg patents, plant breeders’ rights, registered trademarks and registered designs); and
(b) the Benefit to Western Australia will in some cases be optimised by not registering IP (that may be registrable);

A.8 evaluating whether or not to apply for a standard or innovation patent before publicly disclosing or using the invention or Innovation, or engaging in other activities that may remove the ability to obtain grant or registration; and

A.9 establishing a register or other information management system to record important information relating to IP assets and rights.

**Addressing IP in Contracting**

Best practice for Government Agencies in dealing with IP in contracting includes:

A.10 ensuring that all contracts under which IP might be created specifically address the issues of ownership of and rights to pre-existing IP, and also to IP to be created during the contract;

A.11 considering IP related issues as part of the determination of whether any procurement of goods or services provides value for money;

A.12 ensuring that any confidentiality obligations imposed upon a Government Agency or its employees under a contract are consistent with section 58C of the Financial Administration and Audit Act 1985 and with any relevant Government policies on openness in Government contracting;

A.13 obtaining the rights required to meet the operational requirements of the Government Agency;

A.14 considering and obtaining rights as may be necessary for other Government Agencies to use the IP for Government Purposes (refer also to the Allocation Guidelines);

A.15 actively managing contracts to ensure that the ownership of IP created will vest as agreed in the contract (which may involve obtaining assignments or licenses of IP from subcontractors or other third parties);

A.16 obtaining all necessary consents associated with moral rights in copyright material created by Contracted Developers or Collaborative Developers;

A.17 ensuring that contracts are subject to the laws of Western Australia and that courts of Western Australia have jurisdiction to hear and determine disputes under those contracts; and

A.18 avoiding joint ownership of IP unless there is a contract in place which clearly addresses the joint owners’ ability to use and Commercialise the IP.

**Human Resource related IP issues**

Best practice for Government Agencies in dealing with human resource related IP issues includes:

A.19 clearly identifying and communicating delegations and responsibilities of Government employees;

A.20 providing suitable training in IP related issues;

A.21 ensuring Government employees are provided with information concerning:

(a) ownership of IP developed by Government employees in the course of their employment or pursuant to the terms of their employment;

(b) obligations of confidence relating to IP development; and

(c) the requirement to comply with the agency’s policies, practices and procedures relating to IP identification, reporting, protection and management;

A.22 obtaining all necessary consents associated with moral rights in copyright material created by Government employees;

A.23 addressing IP issues relating to the Management and Commercialisation of IP in the recruitment processes, including any IP the Government employee brings to the employment;
A.24 addressing obligations of employees relating to IP and confidential information in exit interviews for Government employees leaving the employment of the Government Agency.

Management of IP Related Risks
Best practice for Government Agencies in managing IP related risks includes:

A.25 ensuring all relevant risks are identified and adequately managed or minimised, including the following risks:

(a) damage to or loss of IP (including decrease in operational or commercial value of the IP);
(b) infringing others' IP rights, especially in the context of any Commercialisation activities;
   NOTE: some activities by Government may not technically constitute infringement due to the existence of statutory licences, which are generally not free licences, and use under these licenses may have associated cost implications;
(c) infringement of Government owned IP by non-Government persons or organisations;
(d) loss of opportunity to optimise benefits to Western Australia including loss of the ability to effectively Commercialise the IP;
(e) ensuring that a Contracted Developer, Collaborative Developer or Rights Recipient has sufficient resources or insurance to meet potential liabilities to Government;
(f) use of contractual liability caps to limit Government’s potential liability; and
(g) ensuring that any dealings with the IP, including any allocation of IP rights to the IP, are consistent with any prior arrangements relating to the IP.

IP generated from grant funding
Best practice for Government Agencies in structuring the conditions imposed on Grant Recipients includes:

A.27 taking into account all relevant issues including:

(a) whether the Grant Recipient has adequate IP Management arrangements in place;
(b) whether the Benefits to Western Australia would be likely to be optimised by imposing conditions upon the Grant Recipient to Manage and Commercialise IP arising from the funded activities; and
(c) whether the Government Agency and the Grant Recipient should negotiate to share the ownership of or rights to the IP, or potential benefits from the Commercialisation of the IP (considering factors such as the level of pre-existing IP, the extent of the Grants Recipient’s cash or in kind contribution to the development of the IP, and the extent to which imposing conditions would operate as a disincentive to the effective use or Commercialisation of the IP).

A.26 utilising risk management strategies including:

(a) use of appropriate clauses in contracts such as warranties, indemnities and insurance clauses;
(b) active relationship management and contract management;
(c) ensuring that all necessary advice has been obtained;
(d) consulting as necessary with relevant stakeholders including other Government Agencies and the Business Community;
(e) ensuring that a Contracted Developer, Collaborative Developer or Rights Recipient has sufficient resources or insurance to meet potential liabilities to Government;
(f) use of contractual liability caps to limit Government’s potential liability; and
(g) ensuring that any dealings with the IP, including any allocation of IP rights to the IP, are consistent with any prior arrangements relating to the IP.

Best practice for Government Agencies in structuring IP development activities funded by Federal Government funding bodies includes:

A.28 negotiating the conditions imposed by Federal Government bodies on research funding granted to Western Australian Government Agencies to maximise the Benefit to Western Australia.
B. ALLOCATION OF INTELLECTUAL PROPERTY RIGHTS

**Background**

These Guidelines address the distribution, grant, transfer, assignment, vesting and licensing of rights to IP generated with Government Resources.

IP rights can be allocated for strategic reasons including facilitating the broader use of the IP or innovation in Western Australia for non-commercial purposes, encouraging creativity and innovation and enabling the Rights Recipient to commercialise the IP or Innovation.

The Policy provides that Government Agencies will ensure that IP rights are allocated to optimise the Benefit to Western Australia from the use and Commercialisation of the IP. In order to meet the objectives of the Government Intellectual Property Policy, Government Agencies must first identify what IP may be generated, to what potential future, additional or ancillary uses the IP may be put and how to optimise the Benefits to Western Australia through the broader use or Commercialisation of that IP.

**Structure of Guidelines for the Allocation of Intellectual Property Rights**

Two different scenarios are addressed in the main part of the Allocation Guidelines:

1. Allocation (vesting) of rights to IP which has yet to be created under Government Contracts; and
2. Allocation (assignment or licensing) of rights to IP which has already been created and is owned by Government because it:
   - was created by employees in the course of their employment
   - has been assigned, licensed to or vested in Government; or
   - is otherwise owned by Government, for example by operation of law (eg Crown Copyright provisions ss 176-177 Copyright Act 1968 (Cth)).

The diagram (right) describes how to use this part of the Guidelines.

### General Allocation Issues

Best practice for Government Agencies in the Allocation of IP rights includes:

- **B.1** undertaking an assessment of the benefits, costs and risks associated with any decision relating to the Allocation of IP rights;

- **B.2** ensuring that when Allocating IP rights, both IP yet to be created and pre-existing IP (including any relevant technical information), are adequately considered and addressed to ensure that the IP can be effectively used or Commercialised as intended;

- **B.3** recording in a register, details regarding the Allocation of all IP rights and all relevant...
conditions to ensure that Government Agencies and Rights Recipients operate consistently with the agreed Allocation of rights;

B.4 documenting the Allocation of IP rights in a legally binding written contract before the IP is created (this does not need to preclude the assignment or licensing of IP rights at any stage after the commencement of the creation of the IP);

B.5 where it is difficult to determine what IP rights may be required by Government to optimise the Benefit to Western Australia, Allocating ownership of IP prior to its creation to the Government Agency and postponing an assessment on any further Allocation of IP rights to the Contracted Developer, Collaborative Developer or Rights Recipient until the potential additional uses and value of the IP can be better ascertained;

B.6 where relevant, obtaining or retaining a licence to the IP for Government Purposes where ownership is Allocated to a non-Government person or organisation;

B.7 when considering a proposed Rights Recipient’s suitability, considering all relevant factors including the recipient’s ability or past performance in:

(a) making effective use of IP for the purpose for which it is proposed to be Allocated; and

(b) accessing the skills and Management capability needed to handle Commercialisation effectively;

B.8 imposing suitable conditions upon the Rights Recipient, consistent with the purpose for the Allocation of rights, which may include:

(a) an obligation to identify, protect, manage, and diligently pursue Commercialisation;

(b) mechanisms for addressing a failure to diligently pursue Commercialisation;

(c) fees in consideration of that allocation of rights which may include a combination of any of the following:

(i) up front fees;

(ii) periodic fees;

(iii) royalty-based fees calculated by reference to the level of revenue received by the Rights Recipient from Commercialisation;

B.9 putting appropriate audit procedures in place to ensure that the Government Agency receives the revenue that is properly owing to it under any agreement with a Rights Recipient;

B.10 providing a reasonable level of support and assistance as the Government Agency considers necessary or required to the Rights Recipient to aid in the effective use or Commercialisation of the IP, where the Government Agency obtains a share of proceeds from Commercialisation;

B.11 ensuring that IP rights Allocation and Commercialisation activities are conducted with the general approval of the Minister responsible for the relevant Government Agency; and

B.12 publishing, at an appropriate stage (which may be before or after the commercialisation of IP), information concerning the steps taken by the Agency in Commercialising the IP and details of the Benefits to Western Australians that are expected to flow from the Commercialisation of the IP.

NOTES:

1 In the case of Government Agencies with extensive and ongoing Commercialisation activities this may involve developing and publishing an appropriate agency-specific policy to articulate and justify its approach to Commercialisation.

2 The purpose of this Guideline is to address the recommendation made by the Auditor General in Public Sector Performance Report No 8, December 2002 where it was stated that in order to protect Government’s investment in IP for the benefit of the community agencies should clearly articulate and justify the approach they take to the commercialisation of IP assets.
Allocation of IP created under Government Contracts

**Background**
IP rights are separate and distinct from other contract deliverables. A Government Agency may not need to own the IP developed in the course of a Government Contract for it to be able to meet its present and future operational needs.

If ownership or rights in the IP are vested in the Contracted Developer rather than the Government Agency this may lead to a combination of the following benefits to Western Australia:

(i) A reduction of the price offered by the Contracted Developer to the Government Agency.
(ii) Providing the Contracted Developer with significant business development opportunities by having an IP asset on which it can base competitive products or services and which it can take to the market, with or without seeking further private sector investment.
(iii) The Contracted Developer has an incentive to create products or services which are designed not only to meet the needs of the Government Agency customer but are designed with broader commercial applications in mind. Those broader commercial applications may operate to provide the Contracted Developer an incentive to improve the relevance of the product to the market and provide a valuable commercial opportunity.
(iv) Releasing Government from the task of Commercialising an IP asset after its development.
(v) Operating as an incentive for Contracted Developers to innovate.

There may be several options open to Government Agencies on how and when to address the Allocation of rights to IP created under Government Contracts. At times it will be possible to address the ownership of and other rights to IP in detail in the tender for the development of the IP and evaluation of tender responses. It may sometimes be preferable for the tender and contract to merely provide for the opportunity for the Government Agency and Contracted Developer to negotiate the grant of a licence to the IP to be created. On other occasions, it may be best to Allocate IP rights to Government and to consider any further grant of rights at a later stage.

Best practice for Government Agencies in Allocating rights to IP generated by Contracted Developers includes:

B.13 addressing the Allocation of IP rights to the Contracted Developer in any request for tender, proposal or quotation or call for expressions of interest in order to:
(a) inform the market of any opportunity to obtain rights to the IP; and

(b) enable Contracted Developers to take this issue into account when preparing their responses; and

B.14 maintaining focus on the operational purpose for which the Government Agency has issued the request for tender, proposal or quotation or call for expressions of interest.
Allocation of Government owned IP

Background
This section addresses IP in existence at the time of release of this Policy and IP that is created after the release of the Government Intellectual Property Policy, which is owned by Government by virtue of being created by Government employees in the course of their employment, through contract or otherwise, including by operation of law.

In Allocating rights to Government owned IP, processes that can be used include:

(a) a fully open and competitive process, where the opportunity to obtain rights to the IP are broadly advertised;
(b) an invitation only competitive process;
(c) use of a pre-qualification process;
(d) a staged approach commencing with expressions of interest and short-listed persons or organisations being invited to submit proposals; and
(e) negotiating directly with a proposed Rights Recipient without any competitive process.

In Allocating the ownership of IP generated by Government Agencies in collaboration with other WA Government Agencies or by one agency under an agreement or memorandum of understanding for another Government Agency, taking into account all relevant factors including:

(a) the legislative capacity of the agencies to most effectively Commercialise the IP; and
(b) the relative level of skills and expertise of the Government Agencies in the Management and Commercialisation of IP.

NOTE: If both Government Agencies are departments, it is the State which will own the IP and any “Allocation” of the IP addressed in a memorandum of understanding should be an allocation of responsibility for the IP rather than actual ownership.

Best practice for Allocating rights to Government owned IP includes:

B.15 when determining which process to use to Allocate IP rights to a Government owned IP asset, considering the following factors:

(a) efficiency of process;
(b) cost of the process balanced against the estimated value of the IP;
(c) the particular instance of Allocation of the IP rights in the context of the agency’s other IP rights Allocation activities; and
(d) the relevant factors for determining the Benefit to Western Australia as identified in the Policy;

B.16 documenting details of any agreement on the Allocation of IP rights in Government owned IP in a legally binding written contract.

Allocation of IP between Government Agencies
Best Practice for Allocating IP rights between Government Agencies includes:

B.17 when Allocating the ownership of IP generated by Government Agencies in collaboration with other WA Government Agencies or by one agency under an agreement or memorandum of understanding for another Government Agency, taking into account all relevant factors including:

(a) the legislative capacity of the agencies to most effectively Commercialise the IP; and
(b) the relative level of skills and expertise of the Government Agencies in the Management and Commercialisation of IP.
C. EMPLOYEE INCENTIVES

Background
Acknowledging, recognising and rewarding creative or innovative Government employees for developing commercially or operationally valuable IP assets provides important incentives to be innovative and creative and to comply with the Government Agency’s procedures for identifying and protecting its IP assets. Enabling staff who are instrumental in the development of the IP to be involved in its Commercialisation may operate as a significant incentive and may also contribute to the successful Commercialisation of IP.

Government Agencies must also ensure that any monetary rewards provided to employees are in accordance with procedures for the provision of monetary rewards entitled “Encouraging Innovation by Government Employees” available to be downloaded at www.doir.wa.gov.au

Best practice for Government Agencies in providing incentives to Government employees for IP generation includes:

C.1 having mechanisms for the provision of incentives to creative or innovative employees who develop operationally or commercially valuable IP;

C.2 enabling the temporary release or secondment of an employee who has been instrumental in the development of or use of the IP to work for a person or organisation that licenses or purchases IP from Government for the purpose of being involved in the Commercialisation of the IP:

- (a) where the person or organisation pays the salary and all related costs for the seconded or released employee;
- (b) where the agency has considered and addresses all ethical considerations including conflict of interest before agreeing to release an employee; and
- (c) where the agency has strategies in place to minimise any negative impact on its operational activities that may be caused by the temporary or permanent loss of the employee.
Appendix 1: Further Assistance

Sources of Assistance
Advice and assistance on IP related matters including help in locating other sources of assistance such as the Crown Solicitor’s Office, other Government Agencies and private sector advisors can be obtained from the Government Intellectual Property Support Unit located within the Department of Industry and Resources.

Contacting the Government Intellectual Property Support Unit
We welcome your enquiries. It should however be noted that many useful intellectual property publications are available on our website.

Intellectual Property Support Unit
Department of Industry and Resources
5th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005
Phone: +61 8 9222 5514
Fax: +61 8 9222 5612
Email: ipsp@doir.wa.gov.au
Web: www.doir.wa.gov.au/ip
Appendix 2: Other Legislation and Policies

Relevant Legislation

Western Australia Public Sector Legislation

Financial Administration and Audit Act 1985 (WA)
Freedom of Information Act 1992 (WA)
Public Sector Management Act 1994 (WA)
State Records Act 2000 (WA)
State Supply Commission Act 1991 (WA)
State Trading Concerns Act 1916 (WA)

Intellectual Property and Related Legislation

Copyright Act 1968 (Cth)
Patents Act 1992 (Cth)
Trade Marks Act 1995 (Cth)
Designs Act 1906 (Cth)
Plant Breeders’ Rights Act 1994 (Cth)
Circuit Layouts Act 1984 (Cth)
Trade Practices Act 1974(Cth)
Fair Trading Act 1987 (WA)

Relationship to other Government policies

State Supply Commission Policies
The State Supply Commission policies provide public authorities with guidance on goods and services purchasing and contracting. Several Policies are of particular relevance to dealings in IP including: Value for Money, Open and Effective Competition, Risk Management and Integrity and Ethics. State Supply Commission Policies are available at: www.ssc.wa.gov.au

Buy Local Policy
The purpose of the Buy Local Policy is to maximise supply opportunities for competitive local Western Australian businesses when bidding for State Government Contracts. The Buy Local Policy is available at: www.ssc.wa.gov.au