

Grant Agreement number: **825618**

Project acronym: **NGI_TRUST**

Project title: Partnership for innovative technological solutions to ensure privacy and enhance trust for the human-centric Internet

Type of action: Research and Innovation Actions (RIA)

Milestone MS5

Guidance on IPR management

Deliverables leader:	EBN
Authors:	Raffaele Buompane
Due date:	01/6/2019
Actual submission date:	
Dissemination level:	Public

Abstract: This report is part of a project that has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 825618





Document Revision History

Date	Version	Author/Editor/Contributor	Summary of main changes / Status
05.11.2019	0.1	EBN, Raffaele Buompane	First draft
06.11.2019	0.2	EFIS, Vladimir Cvijanovic	Comments and feedback
07.11.2019	0.3	EBN, Raffaele Buompane	Amended draft
12.11.2019	0.4	Tecnalia, Unai Calvar and Giuseppe Satriani /Kantara, Ruth Puente, Colin Wallis	Comments and feedback
15.11.2019	0.5	EBN, Raffaele Buompane	Final Draft

Disclaimer

The sole responsibility for the content of this publication lies with the authors. It does not necessarily reflect the opinion of the European Commission. The European Commission is not responsible for any use that may be made of the information contained therein.

Copyright

This document may not be copied, reproduced, or modified in whole or in part for any purpose without written permission from the NGI Consortium. In addition, an acknowledgement of the authors of the document and all applicable portions of the copyright notice must be clearly referenced.

All rights reserved.

This document may change without notice.



Table of content

Document Revision History	2
Disclaimer	2
Copyright.....	2
Table of content.....	3
Executive Summary.....	4
1 Introduction	5
2 Management and protection of IPR in NGI_TRUST	6
2.1 Focus and Scope.....	6
2.2 Main IPR titles expected to be generated within NGI_TRUST	6
2.3 Legal framework for IPR generated within NGI_TRUST	6
3 Overview of main characteristics and use of Intellectual Property Rights in the NGI_TRUST project.....	7
3.1 Ownership and Co-Ownership	7
3.2 The different types of Intellectual Property Rights	8
3.2.1 Patents and Utility Models	9
3.2.2 Industrial Designs.....	9
3.2.3 Trademarks	9
3.2.4 Copyright	10
3.2.5 Confidentiality Agreement and Non-Disclosure Agreement	10
3.2.6 Database rights	10
3.2.7 Trade Secret	11
3.2.8 Research and Development Agreement (R&D Agreement)	11
3.2.9 Licencing.....	11
3.2.10 Access Rights	12
3.2.11 Restrictive Covenants	12
4 NGI_TRUST IPR operational support	12
4.1 IPR Mentoring.....	13
4.2 Webinars.....	13
4.3 Specific additional IPR support: FAQs	14
Conclusion.....	15
References	16



List of Figures

Figure 1: NGI_TRUST IPR - main objectives..... 6
 Figure 2: IPR main titles for Internet based products and services..... 8

List of acronyms / abbreviations used in this document

CA	Confidentiality Agreement
CDA	Confidential Disclosure Agreement
EC	European Commission
EPO	European Patent Office
EUIPO	European Union Intellectual Property Office
IP	Intellectual Property
IPR	Intellectual Property Rights
NDA	Non-Disclosure Agreement
NGI	Next Generation Internet
R&D	Research and Development
SME	Small Medium Sized Enterprises
TM	Trademark
US	United States

Executive Summary

This document provides a basic guidance of Intellectual Property Rights (IPR) Management to NGI_TRUST third parties presenting projects on Internet based products and services.

It is intended to represent an operational support for them to protect investments in intellectual property (IP) deriving by their own work within the project and, at the same time, to discourage illegitimate use of it by other persons or organisations.

The document analyses scope, legal framework as well as a description of the main Intellectual Property titles and related protection measures. Third-party projects funded will ideally consult this guidance to better focus their intellectual property need and receive related support by NGI_TRUST.



1 Introduction

The NGI_TRUST project aims at supporting the development of a human-centric Internet by developing a stronger European ecosystem of researchers, innovators and technology developers in the field of privacy and trust enhancing technologies while fostering the exchange of ideas between different types of stakeholders (researchers, technology developers, innovators, etc.) to enhance their creative proposals.

NGI_TRUST will run three rounds of open calls in order to select and provide financial support to the best projects submitted by third parties in a competitive manner.

The present Guidance for IPR Management is one of the milestones (Milestone MS5) of the Work Package 4 of the project NGI_TRUST - "Partnership for innovative technological solutions to ensure privacy and enhance trust for the human-centric Internet".

Its goal is to provide a basic guidance on Intellectual Property Rights (IPR) Management for NGI_TRUST third parties presenting projects on Internet based products and services. It is intended as an operational support to protect third parties' investments in intellectual property (IP) deriving from their own work within the projects funded by NGI_TRUST and, at the same time, to discourage illegitimate use of generated IP.

Intellectual Property (IP) refers to the protection of creations of the mind, which have both a moral and a commercial value.

The IP law typically grants the author of an intellectual creation exclusive rights for exploiting and benefiting from their creation. However, these rights, also called monopoly rights of exploitation, are limited in scope, duration and geographical extent.

The IP protection is intended to stimulate the creativity of the human mind for the benefit of all by ensuring that the advantages derived from exploiting a creation benefit the creator. This will encourage creative activity and allow investors in research and development a fair return on their investment.

From a financial and economic point of view, IP enables creativity to be protected, and clearly establishes who owns the results of the creative process. It can be licensed or sold and also used as a key negotiating tool - a "deal-maker". Similarly, the IP can attract investment and appear as an asset on the company accounts.

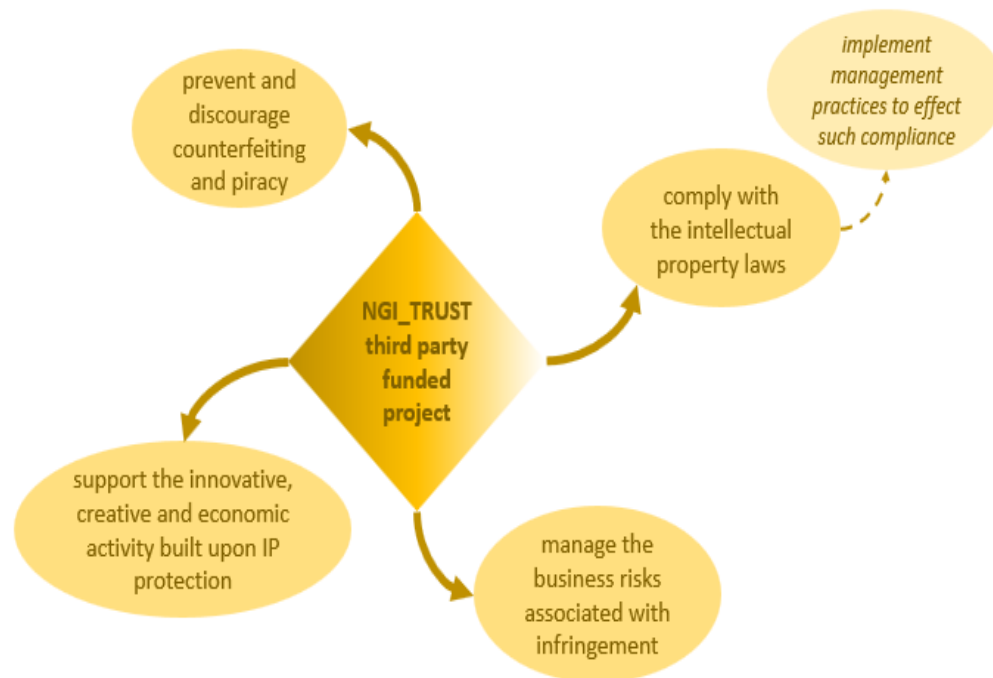


2 Management and protection of IPR in NGI_TRUST

2.1 Focus and Scope

The main objectives that an NGI_TRUST funded project should take into account and commit to while programming its IPR at corporate level are summarised in the following figure:

Figure 1: NGI_TRUST IPR - main objectives



In line with these objectives, all third parties funded by NGI_TRUST will be asked to apply a set of general rules useful to guide them in their activity of management and protection of Intellectual Property Right created within the project's framework.

2.2 Main IPR titles expected to be generated within NGI_TRUST

While working in the NGI_TRUST project framework, third parties' funded projects are expected to produce a significant amount of Intellectual Property titles mainly in the form of Copyright, Confidentiality Agreement, Non-Disclosure Agreement, Database rights, Restrictive covenant and Trademark. Other potential IPR which may be of interest for the NGI_TRUST funded project holders are Utility Models, Patents and Industrial Designs.

A sound and reliable IPR management mainly based on secret and acknowledgement of anteriority appears to be of major importance for the NGI_TRUST third-parties' funded projects.

2.3 Legal framework for IPR generated within NGI_TRUST

NGI_TRUST will conform to the intellectual property EU legal framework with a specific attention for the improvement of the competitiveness of small and medium-sized enterprises (SMEs)¹ and

¹ "A memorandum on removing barriers for a better use of IPRs by SMEs", EC DG Enterprise and Industry (now DG Internal Market, Industry, Entrepreneurship and SMEs) (2007)



on the Commission recommendations on the management of intellectual property in knowledge transfer activities and Code of Practice for universities and other public research organisations.²

Basics of the IPR framework are as follows:

- pre-existing IP and pre-existing knowledge when utilised by an NGI_TRUST funded project have to be detailed in the sub-grant contract and NGI_TRUST consortium partners have to be informed about them;
- Any IPR protection relating to results shall include the following statement: "*This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 825618*";
- IP generated while working within the framework of an NGI_TRUST funded project will be considered property of the project's stakeholder who produced it.
In case of shared generation of intellectual outcomes, when not possible to discern the elements constituting it and owing to different project holders, IP will be jointly owned;
- All software produced by NGI_TRUST will be released in an Open Source form, allowing sharing and adaptation of it if properly attributed and with modifications clearly indicated;
- Dissemination and use of project results will be settled within the framework of an agreement among funded project holders and project partners via previous accurate check of possible elements needing IPR protection.

While respecting the main IPR boundaries, NGI_TRUST will encourage third funded projects to provide open access and to publish the results of their work. Support for publication and for showcase of project outcomes will be offered to give the possibility of creating synergies and opportunities of exploitation, both from a technological development point of view and from a commercialisation one.

When not conflicting with IPR derived limitations, basic information about third-party projects' IPR will be placed and made available on the NGI_TRUST Wiki Page³ to be consulted by the European Commission and other European institutions for monitoring and assessing the impact of the NGI open calls and for the stakeholders in the EU Member States (national ministries, national contact points, NGI players) interested in the information about IPR generated by a third-party funded project.

3 Overview of main characteristics and use of Intellectual Property Rights in the NGI_TRUST project

3.1 Ownership and Co-Ownership

Ownership and/or Co-Ownership of IPR can be a possible situation for third parties project holders funded by NGI_TRUST.

¹ "Making IP work for SMEs", IPR Enforcement Working Group Report (2009) https://ec.europa.eu/growth/industry/intellectual-property/smes_en.

² "Commission Recommendation on the management of intellectual property in knowledge transfer activities and Code of Practice for universities and other public research organisations", Brussels, 10.4.2008 - C(2008)1329.

³ The project Wiki page (https://wiki.geant.org/display/NGITrust/NGI_Trust), managed by GEANT and based on the Atlassian Confluence software, is designed including publicly available pages and a restricted access sites requiring users to register and be granted access by a representative of the NGI_TRUST project.



Whereas the Sole Ownership case is not complicated in its management, a Co-Ownership may create some difficulties. The simplest case of IP Ownership happens when intellectual property is owned only by one entity, typically the creator, in the form of Sole Ownership. In the case of Joint -Ownership, instead, IP titles arise by law when a product or a service (in this case, a result of one NGI_TRUST third-parties projects) is jointly developed by several partners and their respective contribution to the final work cannot be ascertained, or these results are by nature indivisible. A Joint-Ownership agreement is therefore necessary among different holders of a new product or service for the indication of the shares (equal or proportional), for the division of costs of IP protection, the conditions of exploitation and licensing and the possible transfer of shares.

3.2 The different types of Intellectual Property Rights

The term Intellectual property encompasses several categories of rights protecting different categories of intellectual creations.⁴

Creation like Inventions, Brands, Logos and Industrial Designs are respectively protected via Patents, Utility Models, Registered Trademarks and Registered Designs. All these are formally registered rights giving the IP owner a strong privacy on them. On the other hand, they imply no rights until registered. Others can check if rights exist, and who owns them, by searching into public IP registers.

Databases, Reputation/Goodwill and Designs are protected by Copyright and Database right, Trademarks and Designs respectively. These rights are unregistered, so they exist from the moment the products (or services) are created. Their ownership is harder to clarify without a registration and an inclusion into a database.

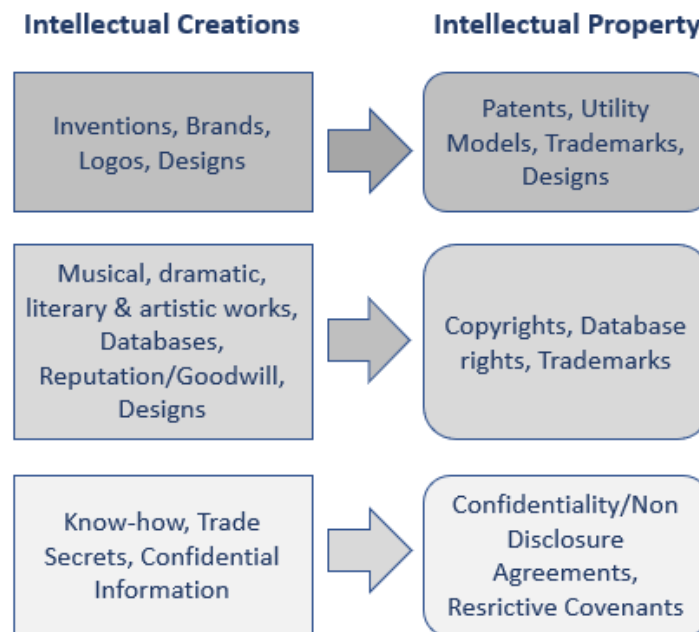
Other IP rights like Know-how, Trade secrets, Confidential information, when arising, are subject to protection using Restrictive covenants and Confidentiality Agreements.

A classification of Intellectual Property is visible in the following figure:

Figure 2: IPR main titles for Internet based products and services

⁴ "What Is Intellectual Property", WIPO, pub 450 (2003)

⁵ For all IP titles: <https://ipportal.wipo.int> via registration and <https://grab.uprp.pl/PropertiesProtection/Site%20pages/Quick%20search.aspx?wersja=english>. For Trademarks: <https://euipo.europa.eu/eSearch/> and <https://www.tmdn.org/tmview/welcome>. For patents: <https://www.epo.org/searching-for-patents/legal/register.html#tab-1>, <https://www.epo.org/searching-for-patents/technical/publication-server.html#tab-1>, and <https://www.epo.org/searching-for-patents/technical/espacenet.html#tab-1>.



3.2.1 Patents and Utility Models

Patents are granted for inventions that are new, involve an inventive step and are suitable for industrial application. If these conditions cannot be satisfied there is, however, a possibility to obtain a protective right for a utility model.

A utility model is a new and useful technical solution pertaining to the shape, structure or configuration of a tangible object. Such model, therefore, must add up to the improvement of manufacturing or using certain products, and the technical solution used for this goal does not have to be innovative.

3.2.2 Industrial Designs

Industrial design rights are granted for a new form of a product manufactured in an industrial or handcraft manner. Such new form should be original, which means it should make a different impression on consumers when compared to designs publicly used before the date of registration. This original impression can be achieved by using a unique structure of a product, its shape, properties of the surface, colour, outline or ornament. The right allows, therefore, to protect the appearance of the product by prohibiting competitors to use the same or similar design. For example, the scope of industrial design protection may encompass the appearance of furniture, clothing, ornamental fonts, or products used in construction works

3.2.3 Trademarks

A trademark is a sign capable of distinguishing the goods or services of one enterprise from those of other enterprises.

Trademark (or service mark in case when services are offered) rights are granted to any sign which can be represented in a graphical way. Such signs (or marks) may take many forms, but usually, they are expressed through words, sentences, graphic designs, sounds, melodies, spatial forms (i.e. a shape of product or packaging) or a combination of such elements. In order to be protected, the mark must also have a distinctive character, which means that it must allow distinguishing the products of the company using the trademark, from the ones of its competitors.



Trademarks are a very valuable asset of every company. They help to identify the products and services of a company, allowing to distinguish them from products of competitors. Trademarks, therefore, contribute to the creation of brand image and reputation of the company, as well as promotion of goods and services.

3.2.4 Copyright

Copyrights provide a legal framework for the protection of creative works and related rights. Literary and artistic works such as books, journals, essays and pictures and, more probably in the case of the NGI_TRUST funded projects, computer software or structure of databases are objects of protection by copyrights.

The author (or authors) of the works has (or have) an exclusive right to use it in any form, including the right to receive remuneration for the use thereof.

Effective governance of copyrighted works should, however, consider limits of the available protection. Such protection does not cover ideas for works or information included therein. In other words, there is no copyright in an idea or a concept, it is the material expression of the idea that is protected.

Copyright comes into place automatically on creation and no formalities (e.g. registration/labels) are required. It is easy to acquire, but also to infringe. But even though copyright is not a registered right, it can still be protected. To deter would-be infringers, businesses should clearly signpost their work with a copyright notice.

In case of dispute, businesses need to show evidence they were the original creators of the work.

3.2.5 Confidentiality Agreement and Non-Disclosure Agreement

A Confidentiality Agreement (or Confidential Disclosure Agreement, CDA) and a Non-Disclosure Agreement (or NDA) are essentially the same thing. Both are trying to protect private or confidential information from becoming public or more widely known.

The terms (and the agreements) are interchangeable but in practice they are used in slightly different contexts. For example:

- Confidentiality Agreement is used when a higher degree of secrecy is required
- Confidentiality Agreement is more frequently used in employment or personal situations
- Non-Disclosure Agreement is more frequently used in third party or start-up situations
- Non-Disclosure Agreement is used when the obligation is one-way (or unilateral)
- Confidentiality Agreement is most commonly used in the EU, Non-Disclosure Agreement more in the US.

3.2.6 Database rights⁶

Database rights are a relatively new phenomenon in IP law. Usually, protection for collections of facts was only available under copyright law if the collection was somehow original. This right controls extraction and reutilization of the contents of a database.⁷

⁶ Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases.

⁷ <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31996L0009:EN:HTML>.



3.2.7 Trade Secret

A Trade Secret can appear in the form of a formula, practice, process, design, instrument, pattern or compilation of information which must be specific to a business and not generally known or reasonably ascertainable.

As in most cases it confers an economic benefit on its owner, efforts should be made to maintain its secrecy. Examples of trade secrets are:

- Coca-Cola recipe locked in a bank vault in Atlanta, Georgia
- Recipe for KFC's unique blend of 11 herbs and spices is in a bank vault in Louisville, Kentucky
- Lawsuits alleging theft of trade secrets have been brought, among others, against former employees by Gillette, Deloitte, Bristol-Myers, Harvard Medical School and Boeing

Trade Secret advantages lie in no minimum protection term. On the other hand, it provides no protection for reverse engineering.

The protection of trade secrets is mainly based on non-disclosure agreements and non-compete clauses (including fixed penalties) with employees and collaborators and shared exclusively with key staff.

3.2.8 Research and Development Agreement (R&D Agreement)

The R&D Agreements define which know-how and IP will be shared and under which conditions.

In particular:

- who will be the owner of the results;
- what happens in the case of co-ownership;
- to whom belongs the right to exploit the results and under which conditions;
- the right to disseminate the results and under which conditions;
- if and under which conditions subcontracting is allowed.

3.2.9 Licencing

A Licensing Agreement is a partnership between an intellectual property rights owner (licensor) and another who is authorised to use such rights (licensee) in exchange for an agreed payment (fee or royalty).

The NGI_TRUST third parties funded project holders may choose among a variety of such licensing agreements are available, which may be broadly categorised as follows:

- Technology License Agreement
- Trademark Licensing and Franchising Agreement
- Copyright License Agreement

In practice, all or some of these agreements often form part of one single contract since in transfers of this nature many rights are involved and not simply one type of intellectual property right.

Main forms of licences are:

- Exclusive (not even the patent owner may use);
- Sole (the patent owner may also still use);



- Non-exclusive (multiple licensees);
- Compulsory (license of right).

With a licence, an NGI_TRUST third funded party may act as a licensee and gain access to bigger markets (especially if an invention is a component in a larger product).

Licensing agreements are also present in other circumstances, such as during a merger or acquisition or in the course of negotiating a joint venture.

A Licensing Agreement can contain the clauses of "revocability" or "irrevocability". In the first case, a licencing agreement can be terminated by the licensor during the term of the license agreement, with or without cause and at any time. In the case of irrevocable licence, the termination depends on the related provisions contained in the agreement stating that either the agreement cannot be ended for any reason, or it can be finished only for convenience. In this last case, however, it can still be terminated in case of breach.

3.2.10 Access Rights

Access rights refers to those rights (e.g. licences) to use knowledge or pre-existing know-how given by the owners of the knowledge or pre-existing know-how to others.

When planning their involvement in the project, NGI_TRUST third parties should consider if access rights have been already granted for their pre-existing knowledge/know-how. Access rights to another participant's foreground or background are only to be granted if they are needed in order to carry out the project (for its implementation) or to use one's own foreground.

Access rights needed in order to implement the project shall be granted at least until the end of the project, even by the participants that leave the project before its completion.

3.2.11 Restrictive Covenants

Restrictive Covenants are clauses to be inserted into an employment contract, restricting an employee's activities after termination of employment.

Restrictive covenants may contain 4 different types of promises:

- a promise not to compete with one's former employer;
- a promise not to solicit or accept business from customers of the former employer;
- a promise not to recruit or hire away employees of the former employer;
- the promise not to use or disclose the former employer's confidential information.

NGI_TRUST funded third parties may take this contractual option into consideration when a more confidential working agreement with project partners and employees is needed.

4 NGI_TRUST IPR operational support

The main forms of operational support which will be made available for NGI_TRUST third parties projects will be mainly in form of workshops, webinars and one-to-one sessions. A specific additional support, to be delivered on request and when circumstances are justifying it, it will be similarly considered.



The European Business and Innovation Centre Network (EBN)⁸ will be leading the IPR operational support with the help of two other NGI_TRUST project partners, Fundación Tecnalia Research and Innovation (Spain)⁹ and Kantara Initiative Europe (Estonia)¹⁰.

This support action is planned to start at the end of 2019 after a first assessment of the specific IPR knowledge needed for NGI_TRUST third funded parties. All projects will be asked to profile their needs and give several possible dates for the organisation of the support.

Senior IPR experts will be assigned by EBN, Tecnalia and Kantara to provide the best possible match with third parties IPR consultation needs. When necessary, external subcontracted experts will be involved.

4.1 IPR Mentoring

Third-party projects taking part in NGI Trust activities will receive a series of mentoring workshops on the following IPR themes, depending on their specific necessities:

- IPR basics: types of IP titles (Copyrights, Trade Secrets (Confidentiality Agreements, Non-Disclosure Agreements, Restrictive Covenants) but also patents, databases, trademarks, industrial designs, utility models, semiconductors;
- IPR In the real world;
- IP Management;
- IP strategy;
- IP commercialisation;
- IP licensing;
- IP financing;
- evaluation of IP assets;
- IP case studies.

Additional tailored one-to-one sessions with the selected IPR experts will be on disposal to complement the workshop mentoring action already offered and to propose alternative IP protection and management options. This personalised guidance will eventually integrate and complete all forms of IP advice provided by NGI_TRUST.

Mentoring session will be regularly monitored on the website and Wiki page of the project¹¹.

4.2 Webinars

This mentoring support will be offered by NGI_TRUST via dedicated webinars, including details of previously mentioned themes or specifically dealing with subjects like:

- all IPR available
- detection of best IP tools for Internet based products and services;
- IP processes for protecting project's outcomes;
- IP for research intensive activities;
- analysis of pertinent case studies.

⁸ <http://www.ebn.eu>.

⁹ <http://www.tecnalia.com>.

¹⁰ <http://kantarainitiative.eu>.

¹¹ https://wiki.geant.org/display/NGITrust/NGI_Trust.



to be decided, case by case, with third funded projects in relation to their specific needs.

Webinars will be regularly advertised on the website and Wiki page of the project.

4.3 Specific additional IPR support: FAQs

As additional support, a Frequently Asked Question (FAQs) page dealing with IPR subjects of major interest for the NGI_TRUST funded third parties, will be made available on the Wiki page of the project.



Conclusion

This document "Guidance on IPR management" corresponds to the Milestone MS5 of the NGL_TRUST project.

It represents a guidance note to NGL_TRUST third funded project on IPR protection for Internet based products and services and it contains a description of the main IP titles of interest for the NGL_TRUST third parties funded projects as well as the legal means of protection available. The operational support available for them within the project is also analysed in the document.

A "Summary Report on IPR management Guidance" (Deliverable 4.3), containing comments and evaluation on the IPR knowledge building action will be drafted at a later stage of the project.

The "Guidance on IPR management" will be made available for consultation to NGL_TRUST third parties projects holders on the NGL_TRUST Wiki.



References

"A memorandum on removing barriers for a better use of IPRs by SMEs", EC DG Enterprise and Industry (now DG Internal Market, Industry, Entrepreneurship and SMEs) (2007)

"Making IP work for SMEs", IPR Enforcement Working Group Report (2009)

"What Is Intellectual Property", WIPO, pub 450 (2003)

Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases

"Commission Recommendation on the management of intellectual property in knowledge transfer activities and Code of Practice for universities and other public research organisations", Brussels, 10.4.2008 - C(2008)1329

On Internet:

<https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31996L0009:EN:HTML>

https://ec.europa.eu/growth/industry/intellectual-property/smes_en

<https://grab.uprp.pl/PropertiesProtection/Site%20pages/Quick%20search.aspx?wersja=english>

<https://euipo.europa.eu/eSearch>

<https://www.tmdn.org/tmview/welcome>

<https://www.epo.org/searching-for-patents/legal/register.html#tab-1>

<https://www.epo.org/searching-for-patents/technical/publication-server.html#tab-1>

<https://www.epo.org/searching-for-patents/technical/espacenet.html#tab-1>

<http://www.ebn.eu>

<http://www.tecnalia.com>

<http://kantarainitiative.eu>

https://wiki.geant.org/display/NGITrust/NGI_Trust