

Research Agreements

Key Issues

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Moral Rights Waivers

- Generally only appear in federal government contracts but have been encountered in some provincial agreements and, on a very rare basis, in industry contracts.
- Sometimes referred to as “Author’s Rights”.
- Referenced in ss. 14.1 and 28.2 of the Copyright Act (see handout)

Moral Rights Waivers

The Practical Issue

- What does a waiver really mean?

“It means you give up your right to complain if they tinker with what you have created: you would then no longer get to have a legally-binding academic or artistic hissy fit if they ever make changes to your work or compromise its integrity in any other way.”

(David Berman @ <http://www.davidberman.com/social/faq/>)

Moral Rights Waivers

The Practical Issue

- The USask Procedure is that faculty can agree to such a requirement, but only after a discussion as to the meaning of the waiver, and its potential effects.
- Faculty are then required to sign a form confirming they have received and understand the implications of the waiver.

Moral Rights Waivers

The Practical Issue

- If there are students involved in the project who may contribute to any publication a waiver will not be provided.
- Students are not in a position to properly evaluate such a waiver and face too many competing pressures.
- Research Services can be the “bad guy” and the student will hopefully avoid extra pressures being put on them.

Moral Rights Waivers – A Big Deal?

- Funders who include a moral rights waiver are often involved in areas that could be considered politically sensitive. Prime examples are projects involving the environment, water security and food security. EC and CFIA usually require a waiver.
- Academic publishing in these areas has the potential to become political. Providing a moral rights waiver gives the funder the ability to “re-make” results in any way it might choose. This should be a significant concern for any researcher.

Moral Rights Waivers – A Big Deal?

- For graduate students, there are additional concerns where the project will form part of the basis for a thesis.
- On a purely legal basis, it is arguable that steps can be taken to ensure that the student can still publish. On a practical note it is felt that this would be a significant risk for the student.
- A graduate thesis is the starting point for an academic career. A moral rights waiver provides a research funder with the option to re-make results that a student depends on for their thesis. Things could be twisted. Given the importance of a thesis to a student, it isn't worth the risk.

Moral Rights Waivers Are a Big Deal

- From the perspective of a research administrator, we all have to make sure we have our documents in order.
- Moral rights waivers have the potential to come back on a researcher and we need to make sure that they are not caught unaware.
- If a waiver is being accepted, get something in writing to confirm that the researchers are well aware of what is being agreed to.

Moral Rights Waivers – Tactics

- It is always worth trying to get rid of moral rights waivers, even in cases where there may not be any publishable results, and there is no student involvement.
- If you try, government departments will sometimes agree to soften their position. The handout provides some examples of alternate provisions that have been agreed to recently.
- Ask for an explanation-why do they need a waiver

Moral Rights Waivers – Tactics

- Use the presence of a graduate student to take a strong position against the waiver.
- Spread a little confusion. You could quote the section of the Faculty Agreement which deals with copyright and advise the Sponsor that the University has a problem due to potential breach of the Faculty Agreement. This has worked at least twice.
- Get creative, and share your successes.

Publication Delays

Know Your Faculty Agreement

- Copyright is owned by the faculty/author.
Always keep that in mind.

Know Your Policies on Graduate Student Theses

- How Long Can Their Publishing Be Delayed?
- What is the “In Camera” provision for their defense?
- Will confidentiality agreements be required?

Publication Delays - Sample Clause

The UNIVERSITY, Principal Investigator, and author(s) shall have the right to publish any written material, including but not limited to articles and papers that incorporate results of the Research. The UNIVERSITY shall submit any manuscript to SPONSOR for review prior to publication. SPONSOR shall have thirty days (30) to evaluate written material in advance of proposed publication. Unless SPONSOR informs UNIVERSITY in writing during this thirty day (30) period that the proposed publication be delayed in order to protect confidential information, confidential trade secret(s) or know-how, the UNIVERSITY shall be free to publish the results without restriction. In the event that a delay of the proposed publication is required, the UNIVERSITY shall withhold submission for publication for an additional period, up to sixty (60) days.

Publication Delays

Take Them Seriously

- Don't Skim This. Compare to Confidentiality and IP Provisions
- Issues:
 - Check definition of Confidential Information
 - Undefined Terms: trade secret? know-how?
 - Is IP protection an issue?
 - Is the maximum delay period acceptable?
 - A “Reasonability” standard might be worthwhile
 - Don't Let Sponsors mark everything as “Confidential”

Template Agreements

- “Their Money – Their Agreement”
 - This is the wrong attitude for research contracts. Such contracts are what we do.
 - On occasion, industry and some government departments use agreements that are for their general contracting needs. This has the potential to cause significant problems if things go wrong in completing the research project.

Template Agreements

An Example

The Funder (who shall remain nameless) “may order the re-execution of any Services or Materials which, in its opinion, are not performed in accordance with the provisions of this Contract, in which case the Contractor shall re-execute the Services or Materials at the Contractor’s expense.”

“Just Say NO”

Template Agreements

It Is Time to Change

- Research Administrators are not known for their radical approach, but it is time for us to try to take charge on this kind of agreement.
- Some templates can't be saved and should be scrapped. If it would take more time to revise a draft than start over with a proper template, it is time to suggest that to the Sponsor.

Template Agreements Are Not Set in Stone

Like any tool, template agreements are great for their intended purpose, BUT

- Some funders take templates to extremes
- One size never fits all
- Take a stand early and keep it
 - If possible, from the time of negotiation
 - Are a guideline only & don't apply every time
- If you have a funder you know takes an extreme view on sticking to templates, be very careful when negotiating new ones.

Indemnification

What is it?

- One party agrees to protect and hold harmless another party from liability
 - Cover damages or losses sustained by protected party
- Typical liability covered by indemnification:
 - Property damage and personal/bodily injury
 - Products
 - Infringement (patent & copyright)

Indemnification

What is it?

- Terms dependent on institutional or public policies for each party
- Many universities are not permitted to accept additional risk
- Exceptions for willful misconduct and gross negligence

Indemnification Intent

- Universities seek to protect themselves against liability generated by sponsors
- Sponsors seek to protect themselves against liabilities arising from the University research
- Shifting of liability:
 - to the party responsible for the actions/decisions
 - to the party collecting the benefits of the actions
 - to the party with the 'deepest' pockets

'Fair' Indemnification

- **Criteria to establish what is fair:**
 - Who is benefiting from research
 - Who is performing work
 - Who is making the decisions
 - What is the purpose of each party
 - (corporation versus University)
- Each party indemnifies the other party for their own actions - reciprocal
- Universities should not accept liability related to commercial matters (i.e. products, patent & copyrights)

Indemnity & Insurance

- Indemnity value relies on having insurance or assets to back up the obligation
- Ensure other party has appropriate insurance or assets
- Consult with risk management to ensure contract contains provisions for holding insurance
- Large multi-nationals typically wish to self-insure
 - Ensure entity entering in to the contract holds assets necessary to self-insure

Intellectual Property (IP)

- First Question – will there be IP involved?
- Second Question – who owns the IP?
- Categorizing IP:
 - Foreground IP – all IP developed as a part of the current project
 - Background IP – all IP required to practice the foreground IP or to perform the project
- Restrict definitions as much as possible
 - Beware of broad definitions or definition that ‘creep’ outside of project
 - Developed or held by PI while at the University as a part of the project

Transfer of IP Rights

- **License**
 - Ownership remains with the university
 - Subset of rights is granted to the sponsor
 - Exclusive vs. Non-exclusive
- **Assignment**
 - Ownership is transferred to sponsor
 - May contain other restrictions (i.e. who can fund further development)

IP Problems/Tactics

- Problem: Assignment of IP to sponsor
 - Is the project core or peripheral research?
 - Ensure university receives broad grant-back of rights (all academic uses)
 - Resist complex restrictions on use (difficult to monitor)
 - restrictions on sharing
 - acceptance of third party funding
 - future improvements/developments
 - future publications and referencing

IP Problems/Tactics

- Problem: Grant of rights to background IP
 - Grant only rights held by the PI/University for the purposes of the project
 - Clarify who will gather the any rights not held by the university
 - Clearly identify background IP at start of project (include a schedule if necessary)

IP Problems/Tactics

- **Problem: Joint IP management**
 - Ensure joint IP is properly tracked and recorded
 - Obligate each party to take steps to capture joint IP from the creators
 - Identify how joint IP is to be owned and exploited upfront
 - Resist joint IP – have IP held by one party and licensed to the other party

IP Problems/Tactics

- Problem: Pre-negotiated financial terms
 - Early-stage research hard to value
 - End results usually not solidified
 - Potential applications unknown
 - Separate research agreement from commercialization agreement
 - Grant an 'Option' - terms to be negotiated
 - Grant rights for internal, non-commercial use only
 - Insert potential ranges for financial terms

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