

Gowers Review of Intellectual Property

University of Liverpool Response

The University of Liverpool welcomes the opportunity to contribute to this review. Intellectual Property (IP) plays a significant role in the delivery of a university's activity, from its teaching materials, to its research knowledge. Increasingly, the management of IP is important to the delivery of teaching and to the translation of research results into economic use. In general, we accept the need for the system for protection, along with some elements of complexity.

Our responses to the individual questions, where appropriate, follow.

1c	Cost considerations do affect the University's ability to protect IP over a long period. We would normally look for a partner in the early stages of protection, to enable both the exploitation and the coverage of the costs of protection. Where exploitation is not forthcoming, patents are allowed to expire.
1f	We use a variety of mechanisms and means of protection, as appropriate to the IP, including maintaining confidentiality and exploiting speed to market. We are also seeing an increase in the use of "freeware" licences in some areas of software.
2a	The University uses a range of IP, in particular copyright and patents, in managing its teaching materials and research knowledge. The use of formal IP protection and management is more established for the results of research, but is becoming more pertinent for teaching, in particular in the distance learning and on-line context.
2d	The valuation of IP can be problematic, and has to be undertaken on a case-by-case basis, rather than being able to apply a metric. We take into account academic and commercial value, and review the market and current competition in determining the prospects. We do experience some issues with valuation of IP, where some companies' perceptions that university IP should be free or next to free to them. An additional issue can occur where a company wishes to have an assignment rather than a licence, in order to satisfy its investors, when the University may wish to ensure that its longer-term position is protected, if the company is ultimately not successful.
2h	The use of IP data as an indicator of innovation can be useful, but care needs to be taken in using single indicators, especially if they are then built into performance or funding models, as an inappropriate indicator can produce inappropriate behaviours. The number of patents, for example, is an indicator of one stage of one form of innovation.
2j	We have experienced defensive patenting by others, and also of defensive licensing. This raises issues about payment for the licence, as there will be no royalties. Equally, for a university charged with exploitation for the public good, it raises questions about whether the agreement should be made on this basis at all, even if it is the best available economic outcome for the institution.
4a / 4b	The time and cost, and sheer ability, to police and enforce both patents and licences can be problematic for universities, in particular because of the potentially wide spread of fields and sectors involved.

The contact point for this response is:

Dr Ian M Carter
Director of Research
Research and Business Services
University of Liverpool
Foresight Building
3 Brownlow Street
Liverpool
L69 3GL