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Specification for the provision of services relating to the commercialization of intellectual property rights

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Foreword

Publishing information

This British Standard is published by BSI and came into effect on 28 February 2011. It was prepared by Subcommittee IMS/1/1, *Services to inventors*. A list of organizations represented on this committee can be obtained on request to its secretary.

Presentational conventions

The provisions of this standard (the normative elements) are presented in roman (i.e. upright) type. Its requirements are expressed in sentences in which the principal auxiliary verb is “shall”. Compliance with the provisions is necessary for compliance with the standard.

Commentary, explanation and general informative material is presented in smaller italic type, and does not constitute a normative element.

Contractual and legal considerations

This publication does not purport to include all the necessary provisions of a contract. Users are responsible for its correct application.

Compliance with a British Standard cannot confer immunity from legal obligations.

In particular, attention is drawn to the following legislation.

The Fraud Act 2006 [1]

The Patents Act 1977, as amended by the Patents Act 2004 [2]

The Legal Services Act 2007 [3]

The Data Protection Act 1998 [4]

The Trade Descriptions Act 1968 [5]

The Trade Marks Act 1994 [6]

The Copyright, Designs and Patents Act 1988 [7]

The Registered Designs Act 1949, as amended by the Regulatory Reform (Registered Designs) Order 2006 [8]

0 Introduction

In recent years there has been a substantial increase in the number of organizations offering services to the originators and developers of ideas, often referred to as inventors. These include the UK Intellectual Property Office (UK-IPO), Business Link, commercial service providers, universities that specialize in invention and product design, and inventors' clubs.

The UK-IPO has long promoted the need for individuals and organizations to take stock of their own novel creations and to secure the legal rights to them by way of patents, registered designs, trade marks, etc. Success in securing the legal rights can positively influence the business success for the idea. However, the law concerning intellectual property (IP) can be complex and the UK-IPO recommends that the creator of a new idea should always consider seeking advice from a firm of chartered patent attorneys or trade mark attorneys (who are legally qualified and independently regulated), or other advisers with the skills needed to assess whether the idea is appropriate for patent protection, trade mark registration or design registration, and who can prepare an application for the creator seeking potential legal rights.

As well as these practitioners there are other advisers, consultants, invention brokers and inventor-support organizations who offer help and advice covering the commercialization of these novel creations.

It follows that if every UK individual and organization secured the intellectual property (IP) to which they are entitled and then used it to commercial advantage, the UK would gain in the long term.

1 Scope

This British Standard specifies requirements for the provision of services to the originators of intellectual property with a view to their commercialization.

It specifies principles for the ethical behaviour of the service provider relating to:

- a) integrity and competence;
- b) transparency regarding fees, costs and finances;
- c) confidentiality and the disclosure of information;
- d) the declaration of interests and conflicts; and
- e) complaints handling.

It also specifies a process for service provision, covering:

- 1) initial engagement with the originator;
- 2) Non-Disclosure Agreements (NDAs);
- 3) evaluation of the originator's idea; and
- 4) commercial agreements for the provision of advice and/or services.

2 Terms and definitions

For the purposes of this British Standard the following terms and definitions apply.

2.1 idea

result of mental activity that is a process, product, device or artistic work

2.2 intellectual property (IP)

legally protectable products of mental activity

EXAMPLE

Inventions, patents, designs, trade marks, logos, brand names, and artistic or aesthetic created works.

2.3 intellectual property rights (IPR)

legally enforceable rights, generally conferred by statute, that give their owner exclusive control over the IP, including the use and production of the protected work and the right to authorize or prohibit certain other activities relating to the work

NOTE The IPR can include patents, utility models, registered designs, registered trade marks, applications for and the right to apply for any of the foregoing IP, unregistered design rights, copyright and similar or analogous rights in any part of the world.

2.4 originator

creator or inventor of an idea or the owner of the rights in any intellectual property associated with the idea

NOTE "Owner" here includes any assignee or licensee, or legal representative (e.g. executor or executrix).

2.5 regulated person

person regulated under the Legal Services Act 2007 [3]

EXAMPLES

A solicitor regulated by the Solicitors Regulation Authority, a trade mark attorney regulated by the Intellectual Property Regulation Board, and a patent attorney regulated by the Intellectual Property Regulation Board or by the Institute of Professional Representatives before the European Patent Office under its Code of Conduct.

2.6 service

action taken to assist an originator in identifying, evaluating, promoting, protecting by acquisition of IPR and/or commercializing the originator's idea

2.7 service provider

individual or organization not being a regulated person (2.5) and offering the service

3 Principles for ethical behaviour

3.1 Integrity and competence

3.1.1 The service provider shall at all times act with integrity, putting the originator's interests foremost.

NOTE Publicity and promotional activity of any kind by a service provider may be undertaken if it is fair, honest, accurate, not misleading, does not imperil the validity of the originator's IP rights, and is not otherwise contrary to the provisions of this British Standard.

3.1.2 All work for the originator shall be carried out in a timely manner and with proper regard for good service and care. The originator shall be informed of any potential delays that arise.

3.1.3 All work for the originator shall be carried out with due skill and diligence and with proper regard for the technical standards expected. Only work within the expertise or competence of the service provider or its advisers and consultants shall be undertaken.

3.2 Transparency of service offered, charges and other payments or receipts

3.2.1 Any fees shall be clearly related to the actual services agreed and performed (see 4.1.6).

3.2.2 The service provider's finances shall be managed so that any amounts owed to, or by, the originator are fully documented and separately accounted for.

3.2.3 Payments to other parties paid or due on behalf of the originator, and receipts from or due from other parties, shall be clearly identified together with any handling charges, commissions or other charges that have been applied.

3.3 Confidentiality and disclosure of information

3.3.1 Regardless of any specific written agreement of confidentiality, confidential information concerning any originator (past or present) shall be kept confidential except where disclosure is required and/or permitted by law or requested by the originator.

NOTE The storage and use of personal information is covered by the Data Protection Act 1998 [4].

3.3.2 Subject to this duty of confidentiality and any circumstance where disclosure of information is prohibited by law, all relevant information shall be disclosed to the originator unless the originator expressly agrees that no duty to disclose arises or a different standard of disclosure applies.

3.3.3 Any material information relevant to the interests of the originator that arises shall be communicated to the originator in a timely manner. So that the service provider can act in their best interests, the originator shall be requested to communicate to the service provider in a timely manner any relevant or material information of which they become aware.

3.4 Declaration of interests and conflict

A service provider shall not act for an originator where:

- a) a conflict of interests is likely to arise as between the originator and any other existing or former originator;
- b) the service provider is aware, or has reasonable grounds for suspecting, that the interests of the service provider and any partner, director, employee, servant or agent of the service provider conflict with those of the originator,

unless those interests have been declared and the originator(s) has agreed in writing to proceed.

NOTE A service provider may act for two or more originators in relation to the same or a related matter in a situation of conflict, or possible conflict, but only if all of the parties have given their informed consent in writing. A conflict of interest arises where the actions of the service provider could put an originator at a disadvantage or lead to a benefit to the service provider to which they are not properly entitled.

3.5 Complaints handling

An established procedure for complaints handling shall be put in place, which covers the acknowledgement, assessment and investigation of complaints. Written details of the procedure shall be available upon request and the originator shall be informed in writing, when first engaging the service provider, that such a procedure exists.

NOTE Detailed guidance on complaints handling procedures is given in BS ISO 10002.

4 Process for service provision

4.1 Terms of engagement

4.1.1 General

Before providing a service the service provider shall provide the information specified in 4.1.2 to 4.1.6. The information shall be either displayed publicly (e.g. on the service provider's website) or provided in writing to the originator.

NOTE The provision of such information is subject to the Trade Descriptions Act 1968 [5].

4.1.2 Statement of competence

A statement of the experience of the service provider shall indicate:

- a) the length of time that it has been operating as a service provider;
- b) the general level of skill, specialist knowledge, experience and relevant qualifications (e.g. membership of professional institutions) of its partners, directors, employees and any consultants;
- c) the basis for any claims of success or operational activity used in promoting its services, unless this would be in conflict with any governing professional standards; and
- d) whether the service provider is regulated by any professional body or legal statute.

4.1.3 Statement of excluded business

The service provider may reserve the right not to process any idea, but the reason for any such rejection shall be given and any relevant fees paid refunded.

4.1.4 Statement regarding IPR

A statement regarding IPR shall clearly indicate that the submission of an idea to the service provider does not of itself grant IPR to either party and does not transfer any rights in the idea to the service provider unless there is a written agreement to the contrary or an assignment to that effect.

The IPR statement shall include a recommendation that the originator seeks the advice of an appropriately qualified and regulated advisor, such as a Chartered Patent Attorney, a Registered Trade Mark Attorney or an Intellectual Property Solicitor, in assessing the available IPR to protect the idea.