

Our Land and Water: Intellectual Property Policy

Note: Capitalised terms are defined in the Glossary at the end of this Intellectual Property Policy (IP Policy)

The underlying purpose of the Our land and Water National Science Challenge is to provide benefits to all New Zealanders, through improved primary production, land management and environmental quality. Our emphasis is on making information as widely available as possible. We do this through public dissemination and presentation of the results produced from Challenge Projects, and by providing open access to data and information, including IP, for New Zealand communities.

However, there must be due regard for the rights of third parties, and for the appropriate protection and management of their commercialisable Project IP. Management of Project IP will be in accordance with this IP Policy, unless otherwise specified in a subcontract work schedule between the Challenge and one or more subcontracted Parties.

This IP Policy is subject to the provisions of the NSC Investment Contract (and any subsequent Challenge Programme Agreements, as applicable) between the Ministry for Business, Innovation and Employment (MBIE) and AgResearch Limited as Challenge Contractor.

Policy Conditions

1. Parties involved in carrying out Challenge Projects and/or other activities agree to comply with these intellectual property policies and principles.
2. Parties acknowledge and agree that they have no right to the Background IP that any other Party brings to a Challenge Project and/or activity, other than as expressly set out in this IP Policy. The Creating Parties agree to grant a non-exclusive, non-transferable, royalty-free licence to other Parties for the use of their Project IP for the purposes of carrying out Challenge Projects and/or other activities, unless there are reasonable grounds not to grant such a licence.
3. Parties acknowledge that they have no right to mātauranga Māori (indigenous knowledge) that is kept and treated as proprietary by whanau, hapū and iwi, and agree that, where a Project seeks to make use of any such mātauranga Māori, the Parties involved in that Project will consult with the relevant whanau, hapū and iwi to reach kotahitanga (consensus) in writing on how that mātauranga Māori is to be used in the Challenge Project and/or activities and as part of any potential Project IP or publication. The Parties will ensure that all cultural, Treaty of Waitangi, and Māori matters are properly taken into consideration and respected when undertaking any Challenge Project or related activity.
4. Parties agree that Project IP will be dealt with in the best interests of New Zealand, which includes commercialising Project IP. Where Project IP does not have future commercial application, but is of benefit to New Zealand, a Party or Parties will participate in joint initiatives to openly publish, present and disseminate research results, by taking all reasonable and practicable steps to make the Project IP openly accessible to the public, in accordance with Challenge policies.

5. Parties agree that, subject to any kotahitanga that may have been otherwise reached as contemplated in paragraph 3, or as otherwise expressly agreed by the relevant Creating Parties and recorded in a subcontract work schedule, any Project IP will be owned:
 - (a) by the Sole Creating Party, if the Project IP is not Jointly-Developed Project IP;
 - (b) either jointly or by the Managing Party, if the Project IP is Jointly-Developed Project IP.

6. Parties will ensure appropriate contracts are in place with co-funders to comply with the IP obligations under this Policy and will operate in accordance with Paragraph 28 of this IP Policy as the default. Parties will ensure any co-funding matters and Project IP exemption approvals are addressed; and obligations are documented with the co-funder (where required). A Party will ensure these form part of any Subcontract with the Challenge Contractor or are added as an Addendum to the Subcontract prior to utilising any co-funding where agreements with co-funders that are post-date Subcontract execution.

7. Parties agree that these intellectual property policies and principles will be made available to any Party participating in a Challenge Project and/or activity.

Background Intellectual Property

8. To the extent that they have legal rights to do so, subject to paragraph 17, holders of Background IP will provide other Parties with a non-exclusive, non-transferable, royalty free licence to use Background IP for the purposes of Challenge Projects and/or activities, unless there are reasonable grounds not to grant such a licence.

Sole Party-Developed Intellectual Property

9. The Project IP of a Sole Creating Party will be dealt with in accordance with paragraph 4.

Jointly-Developed Intellectual Property

10. The Creating Parties of any Jointly-Developed Project IP will agree which of them is best placed to be the Managing Party. For the avoidance of doubt, the Managing Party is not necessarily the Challenge Contractor.

11. Any Jointly-Developed Project IP which is reasonably believed by all Creating Parties (or the Managing Party as the case may be) not to have any commercial application will be dealt with in accordance with paragraph 4.

12. All proprietary rights to Jointly-Developed Project IP with future commercial application will vest or remain with the Managing Party, whether agreed before, during or after the creation and development of the Jointly-Developed Project IP. The Managing Party will be responsible for meeting IP Protection and Commercialisation Costs.

13. The Managing Party will agree to pay each other Creating Party such Royalties as are in proportion to that other Creating Party's Inventive Contribution towards the creation of that Jointly-Developed Project IP, and in accordance with the terms agreed by the Managing Party and the

other Creating Party, less an agreed percentage of Royalties payable to the Managing Party as the commercialising entity.

14. Each Creating Party will agree to do anything that the Managing Party reasonably requests (including signing any documents) in order for the Managing Party to obtain full ownership and, where possible, to become the registered owner of the Jointly-Developed Project IP. Any reasonable out-of-pocket costs of the Creating Parties arising under this clause will be met by the Managing Party as part of the IP Protection and Commercialisation Costs.
15. If the Creating Parties cannot agree on which of them should be the Managing Party, or on the proportions in which Royalties are to be paid to the other Creating Parties, then any Creating Party will be entitled to refer either of those two issues to be settled in accordance with paragraph 29.
16. Each Creating Party will agree not to transfer, assign, encumber, mortgage, pledge or otherwise alienate, or grant a licence or right in respect of, any or all of its rights in and to Jointly-Developed Project IP that they have developed prior to the identity of the Managing Party being agreed or determined in accordance with this IP Policy.
17. If commercialisation of any Jointly-Developed Project IP by the Managing Party will require access to any other Creating Party's Background IP, then, to the extent that the other Creating Party holds the legal rights to do so, they will negotiate with the Managing Party in good faith with the aim of reaching agreement on a licence to use the Background IP for that purpose on a commercial arms-length terms and conditions.
18. If the Managing Party:
 - (a) does not take reasonable steps to commercialise Jointly-Developed Project IP within 2 years of the Creating Parties agreeing on which of them will be the Managing Party (as contemplated under paragraph 10 or as determined under paragraph 29); or
 - (b) after commencement of commercialisation, fails for a continuous period of 1 year to use all reasonable endeavours to exploit the Jointly-Developed Project IP so as to maximise the Net Returns to the Creating Parties,

then, upon request in writing by any other Creating Party, the Managing Party will assign or reassign, at the new Managing Party's cost, as the case may be, ownership of that Jointly-Developed Project IP to the Creating Party next best placed to commercialise that Jointly-Developed Project IP for the benefit of New Zealand and the mutual benefit of the Creating Parties. That other Creating Party may then commercialise the Jointly-Developed Project IP on the same basis as set out in this IP Policy. The initial Managing Party will be entitled to a share of the Net Returns from any commercialisation of the Jointly-Developed Project IP in accordance with their Inventive Contribution agreed by the Creating Parties under paragraph 13, or had had determined under paragraph 29, would go to the initial Managing Party, and the agreed percentage of Royalties payable to the Managing Party as commercialising entity will pass to the other Creating Party to whom the Managing Party role is assigned. If the other Creating Party to whom the Managing Party role is assigned fails to action commercialisation as described in (a) and (b) of this paragraph 18, the Challenge Director will determine which other Creating Parties or Parties may take the role of Managing Party or, in the absence of any Creating Party willing

and able to take the role of Managing Party, whether the Jointly-Developed Project IP should be released into the public domain in accordance with paragraph 4.

19. The Managing Party will not transfer, assign, encumber, mortgage, pledge or otherwise alienate any of its rights in and to the Jointly-Developed Project IP, nor enter into any contracts with any third party in relation to the Jointly-Developed Project IP, without the prior written consent of the other Creating Parties, which consent will not be unreasonably withheld or delayed. In any event, any such consent will be subject to those terms and conditions as are necessary to protect the other Creating Parties' rights under this IP Policy, including the granting of a security interest as contemplated under paragraph 22.
20. Paragraphs 10 to 19 will be subject to any agreement to the contrary reached by the Creating Parties and other Challenge Parties, and approved by the Challenge Director, for any Jointly-Developed Project IP.
21. The Creating Parties of Jointly-Developed Project IP will regularly review that Jointly-Developed Project IP to determine if it has potential or actual future commercial application. Any Jointly-Developed Project IP which is reasonably believed by all the Creating Parties to have no commercial application will be owned by the Creating Parties jointly and will be dealt with in accordance with paragraph 4. All Creating Parties will have full rights of disposal and use as if they owned the Jointly-Developed Project IP individually and it shall be managed as if it were created by a Sole Creating Party.

Security Interest

22. If the other Creating Party or Challenge Parties require it, the Managing Party will enter into a specific security agreement granting a security interest over the Jointly-Developed Project IP and a right to receive a share of the Net Returns from its commercialisation. The specific security agreement will include the other Creating Party or Parties right to receive the assignment or reassignment of Jointly-Developed Project IP as contemplated in paragraphs 14 and 18 respectively.
23. The Managing Party will undertake to execute any documents and authorisations, and depose to or swear any declaration or oath as may be necessary to effect the registration of the security interest set out in paragraph 22 under the Personal Property Securities Act 1999 in New Zealand and any similar rules or legislation in any other country in which IP rights are sought.

Publication

24. Formal statements to the media, or publications or presentations relating to any Project IP to be released or published in any way, shall be subject to the Challenge policies. In respect of Jointly-Developed Project IP, this shall be through the Managing Party.
25. Any media release, publication or presentation relating to any Project IP, shall acknowledge each Creating Party's contribution towards the Project IP as well as the moral rights in respect of any other Party's staff who have contributed towards that publication.

Reporting

26. Identification of actual or potential Project IP and progress on development, commercialisation, or implementation plans relating to it shall be reported to the Challenge Director at the next contracted reporting period for the purposes of (i) reporting outcomes to the Ministry and (ii) supporting opportunities for synergies to be identified and progressed between researchers and stakeholders within the Challenge. Such reporting and any discussion arising from it shall be subject to ensuring protection of commercially sensitive or confidential information.
27. The Challenge Director will keep a log of actual or potential Project IP for reporting purposes – subject to any such confidentiality restrictions as are reasonably prudent given the nature of the Project IP concerned and any likely avenues for its commercialisation.

Access to Project IP

28. Project IP will be made available under a royalty free, perpetual, non-exclusive, non-transferable licence to Parties for the purposes of any Project and educational or related non-commercial activities, subject to any such confidentiality restrictions as are reasonably prudent given the nature of the Project IP concerned and any likely avenues for its commercialisation. Such restrictions are to be agreed by the Creating Party or Managing Party (as the case may be) and other Parties prior to the licence in this clause being granted.

Dispute Resolution

29. If a dispute arises in respect of any matter under this IP Policy, then any affected Party will be entitled to refer the dispute to be settled in accordance with the disputes resolution provisions of the Collaboration Agreement. In the case of Other Parties, the provisions will be set out in their subcontracts.

Glossary

- ‘Background IP’ means any Intellectual Property developed outside a Challenge Project and/or activity owned by or licensed to a Party that is made available for use in the Challenge Programme
- ‘Challenge’ means the Our Land and Water National Science Challenge Toitū te whenua, Toiora te wai, as set out in the NSC Investment Contract and subsequent Challenge Programme Agreements
- ‘Challenge Contractor’ means the Party executing the NSC Investment Contract with the Ministry for Business Innovation and Employment (Ministry) and administering the Challenge on behalf of the Challenge Parties. In this instance the Challenge Contractor is AgResearch Ltd.
- ‘Challenge Director’ means the Director of the Challenge elected to provide leadership of the Challenge, under the guidance of the terms of reference of the OLV Governance Group
- ‘Challenge Parties’ means those entities who are parties to the Collaboration Agreement, which agree to carry out the Challenge mission and objectives as set out in that agreement
- ‘Challenge Programme’ means a work programme of research, science or technology or related activities which is described in a Challenge Programme Agreement
- ‘Challenge Programme Agreement’ means an agreement between Challenge Contractor and the Ministry for Business Innovation and Employment entered into as a result of the NSC Investment Contract

- ‘Collaboration Agreement’ means the OLW Challenge Parties Collaboration Agreement previously signed by the Challenge Parties
- ‘Creating Party’ means each Party that makes an Inventive Contribution towards the creation of any Project IP
- ‘Intellectual Property or IP’ means industrial and intellectual property of any kind, whether or not in a material form, and includes copyright, all rights conferred under statute, common law or equity in relation to inventions (including patents), registered and unregistered trademarks, registered and unregistered designs, circuit layouts, confidential information, know-how, and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields, together with all right, interest, or licence in or to any of the foregoing
- ‘Inventive Contribution’ means a contribution to the development of Project IP that would create an entitlement to a joint ownership share of the Project IP concerned
- ‘IP Policy’ means this Intellectual Property Management Policy and any variations to it, must be agreed by the Challenge Parties
- ‘IP Protection and Commercialisation Costs’ means all fees, costs and expenses (including patent attorney and legal fees, travel expenses and out of pocket expenses) incurred in managing the Project IP or obtaining of grants of patents or other forms of registered intellectual property protection in relation to the Project IP and maintaining the same. These include, without limitation, all costs and expenses incurred in making, prosecuting and registering patent applications and dealing with any opposition to any application for such registrations, any challenge to the validity of any such registrations, and any action taken in relation to infringement of Project IP
- ‘Jointly-Developed Project IP’ means Project IP that is jointly created and developed by two or more Parties
- ‘Managing Party’ means the Creating Party that all Creating Parties agree is best able to manage the commercialisation of Jointly-Developed Project IP for the benefit of New Zealand and the mutual benefit of the Creating Parties
- ‘Net Returns’ means the total consideration, in any form, including equity, receivable by the Managing Party from third parties based on exploiting the Project IP minus all IP Protection and Commercialisation Costs incurred by the Managing Party, but excluding research funds received from third parties for further development of the Project IP
- ‘NSC Investment Contract’ means the contract entered into between the Ministry of Business, Innovation and Employment and AgResearch Limited
- ‘Other Party’ or ‘Other Parties’ means any legal entity that is not a Party to the Challenge Parties Collaboration Agreement and may include but is not limited to private sector businesses, firms or sector organisations, other research organisations, other tertiary education institutions, public or government agencies
- ‘Party’ means any party that undertakes a Project and/or activity funded by the Challenge which is either a Challenge Party or Other Party
- ‘Project’ or ‘Challenge Project’ means the research and/or related activities carried out under a Challenge Programme Agreement by a Party or combination of Parties
- ‘Project IP’ means any Intellectual Property, excluding Background IP, that is created by the Parties, either solely or jointly, undertaking any Challenge Project and/or activity.
- ‘Royalties’ means a share of the Net Returns from the commercialisation of Jointly-Developed Project IP