Intellectual Property Guidelines
for the Victorian Public Sector (Working Draft)
November 2013
Currency

This is an initial Working Draft of the IP Guidelines, published in November 2013, which has not received approval from the Assistant Treasurer. Version 1 of the IP Guidelines will be released upon the Minister’s approval at www.dtf.vic.gov.au/Victorias-Economy/Victorian-Government-intellectual-property-and-data-policies/Intellectual-Property-Policy.

Inquiries

For any inquiries about the Intellectual Property Guidelines for the Victorian public sector or this licence, please contact:

IPpolicy@dtf.vic.gov.au
Department of Treasury and Finance
1 Treasury Place
Melbourne Victoria 3002
Australia
Contents

1. Whole of Victorian Government Intellectual Property Policy ......................... 1
   1.1 Intellectual property framework in Victoria ........................................ 1
   1.2 What is intellectual property ....................................................... 1
   1.3 Ministerial responsibility .................................................................. 2
   1.4 Role of Department of Treasury and Finance .................................... 2
   1.5 IP Policy Intent and Principles ....................................................... 2
   1.6 What agencies are covered by the IP Policy and Guidelines? .............. 3
   1.7 Implementing the IP Policy and Guidelines ...................................... 3
   1.8 Significant intellectual property .................................................... 4
   1.9 Currency ......................................................................................... 4
   1.10 Professional advice ......................................................................... 5

2. Policy Intent and Principles ........................................................................ 6
   2.1 IP Policy Intent ................................................................................ 6
   2.2 Principles ......................................................................................... 6

3. Management of intellectual property ............................................................ 9
   3.1 When should intellectual property be managed? ............................ 9
   3.2 Identifying and recording intellectual property ................................ 10
      3.2.1 Establishing an intellectual property register .......................... 11
   3.3 Assessing and valuing intellectual property .................................... 11
   3.4 Risk management of intellectual property ....................................... 12
   3.5 The State Crest and branding ......................................................... 14
   3.6 Legislative and judicial material ...................................................... 14
   3.7 Human resources implications of intellectual property .................... 14
   3.8 Temporary workers ......................................................................... 15

4. Licensing, public release and disposal of State IP .......................................... 17
   4.1 Overview ......................................................................................... 17
   4.2 Licensing under the IP Policy ............................................................. 17
   4.3 Need for a licence ............................................................................ 18
   4.4 Ownership and capacity to licence .................................................. 18
      4.4.1 Intellectual property owned by a third party ......................... 18
      4.4.2 Material includes some intellectual property owned by a third party 18
      4.4.3 Intellectual property is already licensed to a third party on an exclusive or sole basis ................................................................. 19
   4.5 How to licence IP ............................................................................ 19
   4.6 Copyright material that should be licensed and released .................. 19
   4.7 How to licence copyright material ..................................................... 20
      4.7.1 What form of licence? ............................................................... 20
      4.7.2 Creative Commons licences ..................................................... 21
      4.7.3 Available Creative Commons licences ..................................... 22
      4.7.4 How to apply a Creative Commons licence to new material ........ 22
      4.7.5 How to licence existing copyright material .............................. 23
      4.7.6 Other licences for copyright material ....................................... 24
   4.8 Copyright notice for websites ............................................................. 24
   4.9 Transfer of State IP between agencies ................................................. 25
4.10 Re-assignment or disposal of State IP ................................................................. 26

5. State procurement ................................................................................................. 28
   5.1 Overview ........................................................................................................... 28
   5.2 Addressing IP in procurement agreements ....................................................... 28
   5.3 Securing a licence to IP .................................................................................. 30
   5.4 Acquiring ownership of IP ................................................................................ 30
   5.5 Impact of other requirements ......................................................................... 31

6. Commercialisation of State owned IP ................................................................. 32
   6.1 Overview ........................................................................................................... 32
   6.2 Where commercialisation is available .............................................................. 33
       6.2.1 Commercialisation under explicit statutory function ................................. 33
       6.2.2 Commercialisation with Ministerial authorisation ..................................... 33
       6.2.3 Cost Recovery Guidelines ........................................................................ 35

7. Protecting and enforcing intellectual property rights ............................................. 36
   7.1 Overview ........................................................................................................... 36
   7.2 Protecting IP rights .......................................................................................... 36
   7.3 Enforcing IP rights .......................................................................................... 37
       7.3.1 Reporting breaches of the State’s IP ......................................................... 38

8. Funding and Grants ............................................................................................... 39
   8.1 Overview ........................................................................................................... 39
   8.2 Addressing IP rights ......................................................................................... 39
   8.3 Securing a licence to IP ................................................................................... 40
   8.4 Acquiring ownership of IP ............................................................................... 40
   8.5 Common Funding Agreement for not-for-profits .............................................. 41

9. Moral Rights ........................................................................................................... 42
   9.1 Overview ........................................................................................................... 42
   9.2 Right of attribution ......................................................................................... 42
   9.3 Right against false attribution ....................................................................... 43
   9.4 Right of integrity of authorship ...................................................................... 43
   9.5 Moral rights consent ....................................................................................... 43
       9.5.1 When to seek moral rights consent from State employees ....................... 44
       9.5.2 When to seek moral rights consent from contractors ............................... 45

10. Use by the State of third-party IP ........................................................................ 46
    10.1 Overview ....................................................................................................... 46
    10.2 State breaches of third-party IP .................................................................... 46
    10.3 Copyright ....................................................................................................... 47
        10.3.1 Use of third party copyright material by the State .................................. 47
        10.3.2 Authorisation for agencies not within the scope of s 183 ..................... 47
        10.3.3 Payment for use of third party copyright material ................................. 48
        10.3.4 Copyright infringement ....................................................................... 49
    10.4 Patents ............................................................................................................ 49
    10.5 Designs ........................................................................................................... 50
    10.6 Other intellectual property ............................................................................ 50
11. Compliance and reporting ................................................................. 51
   11.1 Compliance .................................................................................. 51
   11.2 Reporting obligations ...................................................................... 51

12. Useful resources and reference material ........................................... 53
   12.1 IP Policy website ........................................................................... 53
   12.2 Legislation ..................................................................................... 53
   12.3 Policies ......................................................................................... 53
   12.4 Guides .......................................................................................... 54
   12.5 Contacts ......................................................................................... 54
   12.6 Websites ....................................................................................... 55

Attachment 1. IP Policy Intent and Principles ........................................... 56

IP Policy Background ........................................................................... 58

IP Policy Intent ..................................................................................... 59

IP Policy Principles ............................................................................. 60
  Management of State owned intellectual property ................................ 60
  State commercialisation of intellectual property ................................... 60
  Procurement of goods and services .................................................... 60
  Funding and grants towards the development of intellectual property .... 61
  Use of intellectual property belonging to others ................................... 61
  Identification and recording of intellectual property ............................ 61

Governance framework for this policy .................................................. 62

Attachment 2. Creative Commons flowchart ......................................... 63

Attachment 3. Commercialisation approval checklist ............................. 64

Attachment 4. Moral rights consent form template .................................. 66

Attachment 5. An introduction to intellectual property ............................ 68
  What is intellectual property? ............................................................... 68
  Copyright .............................................................................................. 68
  Trade marks .......................................................................................... 69
  Patents .................................................................................................... 70
  Designs ................................................................................................... 71
  Plant breeder’s rights ............................................................................ 71
  Circuit layouts ........................................................................................ 72
  Other forms of information .................................................................... 72
    Confidential information ..................................................................... 72
    Indigenous cultural property and traditional knowledge .................... 73
    Domain names ..................................................................................... 73
1. Whole of Victorian Government Intellectual Property Policy

1.1 Intellectual property framework in Victoria

The Victorian Government, in the course of its ordinary business, creates, acquires, funds and uses intellectual property (IP).

IP law is conducted in an international context that is reflected in Australian domestic law. IP laws derive from various sources including international treaties, Commonwealth legislation and the common law.

The Whole of Victorian Government Intellectual Property Policy Intent and Principles (IP Policy) was endorsed by Cabinet in August 2012. It is the State’s framework for the ownership and management of its IP, as well as for the use by the State of IP belonging to other parties.

These Intellectual Property Guidelines (Guidelines) support the IP Policy and provide additional background, context and guidance.

The IP Policy and these Guidelines replace all previous policies on government IP, including the Guidelines Relating to Victorian Crown Copyright (August 1991).

1.2 What is intellectual property

The term ‘intellectual property’ refers to the legal set of rights that protect the results of creative efforts including literary, artistic and scientific works; performances; broadcasts; inventions; scientific discoveries; trade marks and designs.

Intellectual property laws create a financial incentive for the creation of and investment in intellectual property and protect the moral rights of those who create copyright works.

Some forms of IP require registration for intellectual property rights to be created, and others do not. For example, copyright does not require registration.

The legislative framework for IP is the responsibility of the Commonwealth.
Common forms of IP dealt with by the State include:

<table>
<thead>
<tr>
<th>Form</th>
<th>Applies to</th>
<th>Registration</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copyright</td>
<td>Works including written documents and books, broadcasts, etc.</td>
<td>Not required</td>
<td>Varies, usually at least 50 years</td>
</tr>
<tr>
<td>Trade marks</td>
<td>Word, name, number, aspect of packaging etc. used to distinguish goods or services of a trader</td>
<td>Not required, but available</td>
<td>Infinite, provided that it is being used</td>
</tr>
<tr>
<td>Patents</td>
<td>Device, substance, method or process that is new, inventive, and useful</td>
<td>Required</td>
<td>20 years (standard patent) or 8 years (innovation patent)</td>
</tr>
</tbody>
</table>

Copyright is a particularly significant form of IP dealt with by the State. Special provisions of the Copyright Act 1968 (Cth) (Copyright Act) provide that certain material made by or under the direction of the State attracts ‘Crown copyright’.

See Attachment 5: An introduction to intellectual property for more information.

1.3 Ministerial responsibility

The Assistant Treasurer is the Minister responsible for administering the IP Policy through the Department of Treasury and Finance.

1.4 Role of Department of Treasury and Finance

The Department of Treasury and Finance (DTF), is responsible for the IP Policy and these Guidelines. DTF supports the Victorian public sector by providing training, preparing resources, and providing a point of contact for IP management queries.

Negotiations concerning the State’s exercise of copyright acts in relation to third-party copyright works under s 183 of the Copyright Act are the responsibility of DTF. For more details see Chapter 10: Use by the State of third-party IP.

Comments and questions may be directed to DTF as follows:

Email: IPpolicy@dtf.vic.gov.au
Phone: (03) 9651 1735
GPO Box 4379
Melbourne, VIC 3001

1.5 IP Policy Intent and Principles

The Policy Intent of the IP Policy is that:

- the State grants rights to its intellectual property, as a public asset, in a manner that maximises its impact, value, accessibility and benefit consistent with the public interest; and
- the State acquires or uses third party intellectual property in a transparent and efficient way, while upholding the law and managing risk appropriately.
The IP Principles build on the Intent and cover:

- management of State owned intellectual property;
- State commercialisation of intellectual property;
- procurement;
- funding and grants from the State towards the development of intellectual property;
- State use of intellectual property owned by others; and
- identification and recording of intellectual property.

Please refer to Chapter 2 and Attachment 1 for a complete list of the IP Principles.

1.6 What agencies are covered by the IP Policy and Guidelines?

The IP Policy and these Guidelines apply to all agencies (that is, all departments and public bodies) of the State. ‘Public body’ is defined in the Financial Management Act 1994 and includes State business corporations and statutory authorities.

1.7 Implementing the IP Policy and Guidelines

**Agencies must implement the State of Victoria’s IP Policy.**

These Guidelines provide information and guidance to assist with implementation.

Subject to the IP Policy, a departmental Secretary or agency head has responsibility (which may be delegated) for applying the IP Policy to IP managed by the department or agency.

The IP Policy and Guidelines must be widely communicated to employees and be readily accessible to them.

Implementation of the IP Policy must be supported by the allocation of appropriate resources and responsibility for implementation and review.

Each agency has different objectives and responsibilities. Good agency IP management practices need to reflect this and there is no one strategy or IP management framework that will fit all agencies. Agencies are encouraged to use these Guidelines to review and develop their IP systems to meet their particular needs.1

In the past, some departments and agencies have developed their own formal IP management policies to deal with their specific business needs. These policies may need to be amended for consistency with the IP Policy.

It is noted that your agency may have specific IP clauses in its establishing legislation. The Transport Integration Act 2010 (Vic), for example, empowers the Secretary of the Department of Transport to acquire, hold, licence, exploit or dispose of IP. Your agency should consider the interaction between the IP Policy and such specific IP clauses.

---

1.8 Significant intellectual property

The IP Policy and these Guidelines apply to all State-owned IP. However, it is recognised that some of the requirements in these Guidelines would be unworkable if applied to less significant State IP. For example, the requirement that agencies report breaches of State IP to DTF may not be practicable in the case of a minor breach of insignificant copyright material. Another example is the suggestion in these Guidelines that agencies keep an IP register. In this case, it would not be expected that agencies would record in the register every work containing copyright material.

Accordingly, certain actions in these Guidelines are only required where the IP in question is significant. Agencies should take a common sense approach to determining whether the threshold of significance is satisfied in a given case. For example, the IP may be significant where it:

- has significant value;
- is significant to the operations of the agency;
- contributes significantly to achieving the agency’s objectives;
- may result in breaching the law if mismanaged;
- may result in reputational damage if mismanaged;
- is an outcome of the investment of substantial agency resources;
- is subject to relevant legislation, policy or accounting standards; or
- is or may be commercialised.

References to ‘significant IP’ in the Guidelines should be read with reference to this subchapter.

In case of doubt, agencies are encouraged to contact DTF at IPpolicy@dtf.vic.gov.au.

Further detail on IP management is set out in Chapter 3.

1.9 Currency

This is an initial Working Draft of the IP Guidelines, published in November 2013, which has not received approval from the Assistant Treasurer. Version 1 of the IP Guidelines will be released upon the Minister’s approval at www.dtf.vic.gov.au/Victorias-Economy/Victorian-Government-intellectual-property-and-data-policies/Intellectual-Property-Policy.

DTF is responsible for the maintenance of the Guidelines, and will keep a catalogue of each version. DTF welcomes feedback on the Guidelines and will review them on a regular basis. Agencies may suggest changes or additions to the Guidelines at IPpolicy@dtf.vic.gov.au. The Assistant Treasurer has responsibility for approving Version 1 and subsequent versions of the Guidelines.

---

2 As well as other matters, such as the State’s use of third party IP.

3 See Chapter 7.3.1.

4 See Chapter 3.2.1.

5 While the Assistant Treasurer may approve changes to the IP Guidelines, changes to the IP Policy would require the approval of Cabinet.
Version 1 and subsequent versions of the Guidelines may be published from time to time at the IP Policy website. Agencies should ensure that they are working with the current version of the Guidelines.

1.10 Professional advice

IP law and management practices are complex and constantly evolving. These guidelines should not be used as a substitute for seeking legal, commercial or financial advice.

If an agency intends to seek external legal advice, it should be aware of the Legal Services Panel requirements for engaging legal services. The firms entitled to give advice on intellectual property issues under the Legal Services Panel are listed on the Victorian Government Procurement website. Crown copyright issues are usually an exclusive service provided by the Victorian Government Solicitor’s Office.

---


2. Policy Intent and Principles

The following is an extract of the key parts of the IP Policy Intent and Principles. The document is reproduced in full in Attachment 1.

2.1 IP Policy Intent

The State grants rights to its intellectual property, as a public asset, in a manner that maximises its impact, value, accessibility and benefit consistent with the public interest.

The State acquires or uses third party intellectual property in a transparent and efficient way, while upholding the law and managing risk appropriately.

2.2 Principles

Below, the IP Policy Principles are listed and cross referenced to relevant Chapters of these Guidelines:

<table>
<thead>
<tr>
<th>Principle</th>
<th>Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The State manages its intellectual property in ways that are consistent,</td>
<td>3 – 11</td>
</tr>
<tr>
<td>transparent and accountable.</td>
<td></td>
</tr>
<tr>
<td>2. The State grants rights to its intellectual property with the fewest possible</td>
<td>3 – 6</td>
</tr>
<tr>
<td>restrictions.</td>
<td>and 8</td>
</tr>
<tr>
<td>3. The State may exercise its intellectual property rights restrictively for reasons of privacy, public safety, security and law enforcement, public health, commercialisation and compliance with the law.</td>
<td>3 – 8</td>
</tr>
<tr>
<td>4. The State owns intellectual property created by its employees in the course of their employment.</td>
<td>9</td>
</tr>
<tr>
<td>5. The State manages the moral rights of creators as required under the Copyright Act 1968 (Cth).</td>
<td>9</td>
</tr>
<tr>
<td>6. The State responds to breaches of its intellectual property rights where appropriate in order to maintain its reputation or the value of its intellectual property.</td>
<td>7</td>
</tr>
</tbody>
</table>
### Principle 7
The State is not in the business of commercialising intellectual property, and does not create intellectual property in order to generate a financial return.

### Chapter 6

### Principle 8
An agency may commercialise, or apply the Cost Recovery Guidelines to, intellectual property if:

- **a)** it has an explicit statutory function to do so; or
- **b)** it has been explicitly authorised by the Assistant Treasurer\(^8\) to do so because of a clear net benefit to the Victorian community.

### Chapter 6

### Principle 9
When State procurement may result in intellectual property being generated, the State:

- **a)** addresses in an agreement any rights to intellectual property (including pre-existing intellectual property) that may arise as a consequence of the procurement;
- **b)** secures a licence to the intellectual property, only to the extent necessary to achieve the purposes of the procurement; and
- **c)** only acquires ownership of the intellectual property if a licence is not adequate in the circumstances.

### Chapter 5

### Principle 10
When the State provides a grant or similar funding for an identified purpose or project, the State:

- **a)** addresses in an agreement any rights to intellectual property (including pre-existing intellectual property) that may arise as a consequence of the grant or funding;
- **b)** does not secure a licence to the intellectual property unless there is a stated purpose for doing so, and then only to the minimum extent necessary to achieve that purpose;
- **c)** if a licence would not be adequate in the circumstances, acquires ownership of the resulting intellectual property; and
- **d)** ensures that ownership of the intellectual property is able to be assigned to or by the State if the intellectual property is not used by the recipient for the purpose of the grant or funding within a reasonable time.

### Chapter 8

### Principle 11
The State deals with third party intellectual property in a manner that:

- **a)** avoids infringing the intellectual property rights of others and complies with the law; and
- **b)** provides equitable remuneration to intellectual property owners (whether directly or through collecting societies) in a manner consistent with the responsible spending of public moneys.

---

\(^8\) The IP Policy refers to the Treasurer in this Principle, but in practice the Assistant Treasurer is responsible for authorisation requests under Principle 8(b).
<table>
<thead>
<tr>
<th>Principle</th>
<th>Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>12.</strong> Agencies of the State identify and record intellectual property in their possession, where that intellectual property:</td>
<td>3</td>
</tr>
<tr>
<td>a) involves statutory registration and renewal processes;</td>
<td></td>
</tr>
<tr>
<td>b) is critical to a deliverable or core function of the agency; or</td>
<td></td>
</tr>
<tr>
<td>c) requires active risk management.</td>
<td></td>
</tr>
</tbody>
</table>
3. Management of intellectual property

**IP Policy Principle 1:** The State manages its intellectual property in ways that are consistent, transparent and accountable.

**Principle 4:** The State owns intellectual property created by its employees in the course of their employment.

**Principle 12:** Agencies of the State identify and record intellectual property in their possession, where that intellectual property:

- a) involves statutory registration and renewal processes;
- b) is critical to a deliverable or core function of the agency; or
- c) requires active risk management.

3.1 When should intellectual property be managed?

The Victorian public sector creates, commissions, funds, owns, uses and manages significant amounts of IP across areas including health, education, public infrastructure, science, economic and industry development, information and communications technology, justice, the arts and culture.

Principle 1 of the IP Policy provides that the State manages its intellectual property in ways that are consistent, transparent and accountable.

Agencies must manage IP in a manner consistent with this Principle. These Guidelines, and applicable Victorian and Commonwealth legislation and policies, provide further guidance on how this can be achieved. Relevant policies include those concerning public sector management, procurement and funding, innovation, communication of public information and privacy.

Each agency has different objectives and responsibilities. Good agency IP management practices need to reflect this and there is no one strategy or IP management framework that will fit all agencies. Agencies are encouraged to use these Guidelines to review and develop their IP systems to meet their particular needs.

While agencies are required to manage all IP, some aspects of IP management need only be undertaken where the IP in question is significant. More guidance on significant IP is provided in Chapter 1.8.

Important aspects of IP management include:

- 3.2: identifying and recording IP (including by establishing an IP register);
- 3.3 assessing and valuing IP;
- 3.4 risk management of IP;
- 3.5 the State Crest and branding
- 3.6 legislative and judicial material

---

• 3.7 managing human resources implications of IP; and
• 3.8 managing IP issues around temporary workers, such as volunteers or students.
Each of these is discussed further below.

Another aspect of IP management is protecting and enforcing IP where appropriate. For example, it may be appropriate to respond to a breach of a State trademark in order to maintain the State’s reputation. Protecting and enforcing IP is discussed in further detail in Chapter 7.

3.2 Identifying and recording intellectual property

Principle 12 of the IP Policy provides that agencies of the State identify and record intellectual property in their possession, where that intellectual property:
• involves statutory registration and renewal processes;
• is critical to a deliverable or core function of the agency; or
• requires active risk management.

Maintaining appropriate mechanisms for identifying, recording and managing agency IP is a crucial part of good IP management practice. Among other things, it enables agencies to:
• put the IP to proper use in accordance with legislation, government policy and agency objectives;
• fulfil financial, record keeping and accountability obligations;
• ensure resources are put to efficient and effective use;
• facilitate access to the IP by knowing agency rights to use or distribute the IP;
• avoid duplication in the acquisition or creation of IP;
• better protect and enforce IP rights; and
• lower the risk of infringing the IP rights of others.\(^\text{10}\)

Standing Direction 3.4.9 Physical and intangible assets of The Standing Directions of the Minister for Finance under the Financial Management Act 1994 addresses the record keeping requirements for intangible assets:

*Public sector agencies must implement and maintain an effective internal control framework for asset management to ensure that assets are identified, recorded accurately and accounted for in accordance with Australian Accounting Standards.*

*Records and details for intangible assets must be sufficient to ensure compliance with accounting standards and disclosure requirements, in addition to any operational needs of the business.*\(^\text{11}\)

Guideline 1 under the Direction states:

---


The policies and procedures for asset identification, recording and management should incorporate the following:

- recognition of assets upon receipt or commissioning;
- verification of the physical existence, location and condition of assets and inventories on a regular basis and requirements for the asset register to be reconciled against the records of the public sector agency. This should be conducted by someone other than to whom the asset has been assigned;
- complete and accurate records of inspections made with respect to maintenance needs and actions taken should be maintained; and
- the creation or purchase of an asset requires standard expenditure procedures to be followed. Financial delegations of authority should specify those officers able to authorise the transfer or disposal of an asset.\textsuperscript{12}

3.2.1 Establishing an intellectual property register

While significant IP assets may appear on an agency’s asset register, agencies are also encouraged to establish a register or other information management system to record important information concerning any significant IP\textsuperscript{13} of the agency.

An IP register should be tailored to an agency’s requirements and the nature of the significant IP that the agency holds. Relevant information to include in the register may include:

- identity of the creator(s) or inventor(s);
- identifying details for the IP;
- details of any IP registrations;
- the start and end date of the IP protection;
- important details of relevant procurement and funding agreements; and
- any important ownership and licensing details.

Additional information may also be appropriate in the circumstances.

3.3 Assessing and valuing intellectual property

Agencies are encouraged to assess and value their significant IP\textsuperscript{14}. The results of the valuation should be recorded.

There are a range of difficulties in valuing IP. For example, it can be difficult to determine the commercial value of a trade mark which has never been bought or sold. However, this difficulty does not mean that IP is valueless.


\textsuperscript{13}More guidance on significant IP is provided in Chapter 1.8. Most copyright works owned by the State would not constitute significant IP for the purpose of an intellectual property register.

\textsuperscript{14}More guidance on significant IP is provided in Chapter 1.8.
Some of the methods to value IP include:

- cost of development;
- comparable market transactions;
- income from royalties;
- excess profits or notional maximum royalties payable; and
- capitalisation of earnings.

IP is an intangible asset, meaning that it is an asset that is not physical in nature. There are accounting standards for intangible assets.

The Australian Government IP Manual provides relevant guidance, as follows:

The Australian Accounting Standard 138, prepared by the Australian Accounting Standards Board (AASB) deals with intangible assets. The definition of intangible asset in this standard includes brand names, mastheads and publishing titles, computer software, licences and franchises, copyrights, patents and other IP rights including service and operating agreements, recipes, formulae, models, designs and prototypes and research and development expenditure.

AASB 138 prohibits the recognition of many types of IP. For example, paragraph 63 of AASB 138 states, internally generated brands, mastheads, publishing titles, customer lists and items similar in substance shall not be recognised as intangible assets. In addition, agencies may only record other IP at current valuation if there is an established secondary market in the IP. Otherwise, IP must be recorded at cost.

For more information, consult the Australian Accounting Standards Board online:

IP Australia offers guidance on the valuation of IP. For more information consult IP Australia’s website:
http://www.ipaustralia.gov.au/manage-your-ip/review-your-ip/valuing-your-ip-assets/

Valuation of IP should also take into account the risks and costs involved in the IP, discussed in the following subchapter. For example, enforcements costs, flow-on costs, maintenance costs and the effect of third party interests.

Agencies should also consult their finance teams for further assistance.

### 3.4 Risk management of intellectual property

IP risks should be considered and managed as part of an agency’s risk management framework. This is particularly important in the case of significant IP.

Failure to properly manage IP risks was identified in the Victorian Auditor-General’s Report Managing Intellectual Property in Government Agencies (2005) as posing a number of risks to the public sector, including those set out in the following table. The table also identifies the outcome of the risks and provides high-level guidance on how to manage each risk. The chapter column refers to the relevant chapter in these Guidelines.

---


16 More guidance on significant IP is provided in Chapter 1.8.
<table>
<thead>
<tr>
<th>Risk</th>
<th>Potential Outcome</th>
<th>How to manage</th>
<th>Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure to protect the integrity and accuracy of copyright material</td>
<td>False information being disseminated to the public</td>
<td>Actively manage significant copyright material</td>
<td>3 and 4</td>
</tr>
<tr>
<td>Failure to adequately protect confidential IP</td>
<td>Other parties use it inappropriately</td>
<td>Actively manage significant IP</td>
<td>3 and 4</td>
</tr>
<tr>
<td>State IP released under inappropriately broad licence</td>
<td>May result in breach of privacy, public safety etc.</td>
<td>Consider IP Policy and these Guidelines</td>
<td>4</td>
</tr>
<tr>
<td>Procurement contracts fail to address IP</td>
<td>Dispute regarding ownership and use of pre-existing and resultant IP</td>
<td>Ensure that procurement complies with IP Policy</td>
<td>5</td>
</tr>
<tr>
<td>Fund research without obtaining access to the resultant IP</td>
<td>Cannot use IP for the purposes of the project</td>
<td>Ensure that funding includes an appropriate licence and complies with IP Policy</td>
<td>8</td>
</tr>
<tr>
<td>Contracts do not address pre-existing IP</td>
<td>Other party may be reluctant to utilise pre-existing IP</td>
<td>Contracts should address pre-existing IP</td>
<td>5 and 8</td>
</tr>
<tr>
<td>Contracts seek ownership of IP where licence appropriate</td>
<td>Time and expense acquiring unnecessary ownership</td>
<td>Consider scope of use required and apply IP Policy</td>
<td>5 and 8</td>
</tr>
<tr>
<td>State IP not protected or enforced where appropriate</td>
<td>Use of IP that may damage State’s reputation or value of IP</td>
<td>Monitor third party use of State copyright and apply IP Policy</td>
<td>7</td>
</tr>
<tr>
<td>Employees moral rights not managed appropriately</td>
<td>Claim for breach of moral rights</td>
<td>Seek moral rights consent in appropriate circumstances</td>
<td>9</td>
</tr>
<tr>
<td>Infringement of third party IP</td>
<td>Claim for damages and reputational damage to the State</td>
<td>Monitor and pay for use of third party IP</td>
<td>10</td>
</tr>
</tbody>
</table>

These risks should be kept in mind when assessing IP risks and mitigation plans.
3.5 The State Crest and branding

The State of Victoria can be recognised through the use of a mix of:

- Victorian Coat of Arms (Victorian Crest); and
- branding (including logos, logotypes, badges, design elements, symbols, slogans, and other visual and aural identification and promotional features).

The Victorian Crest and branding are integral to the State’s reputation. Accordingly, agencies must actively manage them. Further, unlike most other forms of State IP, agencies must not grant rights to them except, in the case of branding, in the limited circumstances set out below.

The Victorian Crest may only be applied to Victorian Government publications that are tabled in Parliament, such as annual reports and government statements. The Victorian Crest must not be used by any person or organisation other than the Victorian Government. Unauthorised use is subject to penalty under the *Unauthorised Documents Act 1958*. Approval for commercial use or advertising will not be given.  

State branding must usually be applied to all Victorian Government communication. Third parties may only use State branding where authorised to do so by an agency in appropriate circumstances. For example, it may be appropriate for State branding to appear on a billboard at the site of a construction project that is partly funded by the Victorian Government.

Some State branding is subject to registered trade marks. This is usually appropriate under the IP Policy to ensure that the IP in State branding is protected to avoid risks to the State’s reputation. More detail on trade marks is provided in Attachment 5.

3.6 Legislative and judicial material

Legislative and judicial material is a special category of IP requiring special management.

Section 182A of the *Copyright Act* allows people to make a single exact copy (in whole or part) of legislation or a judgment. This differs from the position for other State owned copyright material.

The State has exclusive printing arrangements in place, through the Office of Chief Parliamentary Counsel, for the hardcopy printing of legislation.

3.7 Human resources implications of intellectual property

State employees create a significant amount of intellectual property in the course of their employment. Many employees also make use of intellectual property owned by third parties. Accordingly, it is important that the human resources implications of intellectual property are actively managed.

It should be noted that, under both the *Copyright Act* and Principle 4 of the IP Policy, the State owns intellectual property created by its employees in the course of their employment.

---


18 For example, the Victorian Government logo which can be seen at the bottom right corner of the cover of these Guidelines.
The following checklist of human resource practices should be used by agencies to support implementation of the IP Policy and Guidelines.

<table>
<thead>
<tr>
<th>#</th>
<th>Activity</th>
<th>Yes/No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Are employees notified that the State owns IP created by employees in the course of their employment?</td>
<td></td>
</tr>
</tbody>
</table>
| 2 | Do agencies provide appropriate training in IP issues for employees where relevant, including:  
   - the IP Policy, and the importance of the management of IP in supporting the agency's objectives; and  
   - obligations of employees to respect IP owned by others, including moral rights? |        |
| 3 | Have agencies established appropriate induction processes to ensure new staff are aware of duties not to infringe previous employer’s IP, and exit procedures that include a reminder of responsibilities in relation to the agency's IP, including confidential information? |        |
| 4 | Have agencies established the roles and responsibilities of the agency and staff in relation to management of IP, including authority for licensing or control of IP and accountability for management of IP? |        |
| 5 | Is a moral rights consent required in the circumstances? (See Chapter 9.5). |        |
| 6 | Have agencies considered recognising employees for innovation or creativity in management or development of IP, consistent with agency objectives and the IP Policy? |        |

### 3.8 Temporary workers

Temporary workers who perform work for agencies and are not employed under the *Victorian Public Service Workplace Determination 2012* (VPS Agreement) may be involved in a wide range of activities that produce IP. If there is no agreement addressing ownership of the IP, it is possible that the worker will own the IP.

At times it is appropriate for temporary workers to retain ownership of the IP they develop, such as a student research projects on placement. It is important that any agreement with temporary workers address the appropriate ownership issues for developed IP.

Types of temporary workers who fall into this category include volunteers, visiting research fellows and students.

Temporary workers may also use IP owned by the State as part of their engagement. Appropriate training should be considered to ensure the appropriate use of IP. Confidentiality agreements must be used if such workers have access to confidential information while working in a public sector agency.

In the case of volunteers, many agencies using volunteers already enter into written ‘volunteer agreements’ with their volunteers. Such agreements clarify the rights and responsibilities of both the volunteer and the agency. They should also address IP rights.
If an agency anticipates that volunteers may develop IP that could be of operational or commercial value to the agency, it is recommended that the written agreement clearly articulates how IP rights are dealt with. Consistent with the IP Policy, the agency would normally seek a licence to make use of the IP.

Further information regarding volunteers is available from a number of sources, including Volunteer Victoria:
http://volunteeringvictoria.org.au/
Victoria’s volunteering portal:
and PILCHconnect:
www.pilch.org.au/volunteers/
4. Licensing, public release and disposal of State IP

**IP Policy Intent:** The State grants rights to its intellectual property, as a public asset, in a manner that maximises its impact, value, accessibility and benefit consistent with the public interest.

**IP Policy Principle 2:** The State grants rights to its intellectual property with the fewest possible restrictions.

**Principle 3:** The State may exercise its intellectual property rights restrictively for reasons of privacy, public safety, security and law enforcement, public health, commercialisation and compliance with the law.

4.1 Overview

This Chapter deals with licensing, public release and disposal of State IP under the following headings:

- 4.2: Licensing under the IP Policy;
- 4.3: Need for a licence;
- 4.4: Ownership and capacity to licence;
- 4.5: How to licence IP;
- 4.6: Copyright material that should be licensed and released;
- 4.7: How to licence copyright material;
- 4.8: Copyright notice for websites;
- 4.9: Transfer of State IP between agencies; and
- 4.10: Re-assignment or disposal of State IP.

4.2 Licensing under the IP Policy

The Policy Intent of the IP Policy is that the State grants rights in relation to its IP, as a public asset, in a manner that maximises its impact, value, accessibility and benefit consistent with the public interest.

Often, this means that the State grants rights to its IP with few or no restrictions (see Principle 2 of the IP Policy). To maximise the impact of IP, releasing it to the public at large under a flexible licence (for example, via an agency’s website or under the DataVic Access Policy) is usually preferable to granting rights to individuals or particular organisations. This is discussed further in Chapter 4 below.

However, the State may exercise its IP rights restrictively for reasons of privacy, public safety, security and law enforcement, public health, commercialisation and compliance with the law (see Principle 3 of the IP Policy). Other special circumstances may also require the restrictive exercise of IP rights, such as use of the State Crest (Chapter 3.5) and legislative and judicial material (Chapter 3.6).

Accordingly, in appropriate circumstances, agencies are encouraged to release IP to the public under licence or otherwise grant third parties with a licence to use their IP.
4.3 Need for a licence

In the absence of a licence granting rights to other parties, the State is presumed to reserve all rights in its IP. For example, while a person may view the copyright material that a department has made available on its website, that person has no right to reproduce, communicate, commercialise or adapt the material unless the department has expressly granted a licence to that effect.

A licence may be given to the public at large, or to a particular person or organisation. The licence tells users of the material what they are permitted to do with it. Typically, it will address matters such as the type of uses that may be made, how long it will last, geographic scope and whether it is exclusive to a particular user or made to the public at large.

It should, however, be noted that the exclusive rights associated with copyright are subject to a variety of exceptions found in the Copyright Act which are discussed further in Chapter 10.3 and Attachment 5.

4.4 Ownership and capacity to licence

Before attempting to licence IP to the public or to a particular person or organisation, an agency must satisfy itself that it owns the IP and/or that it is entitled to licence it on the terms proposed.

For example, the following common situations may prevent the State from licensing IP:

- where the IP is owned by a third party;
- where the material includes some IP owned by a third party; and
- where the IP has already been licensed to a third party on an exclusive basis.

Each situation is discussed further below.

4.4.1 Intellectual property owned by a third party

The State is not entitled to grant a licence over IP owned by a third party. While it will usually be clear whether particular IP is owned by the State or a third party, in some cases it is not. For example, where the IP was created by a third party under a grant or in the course of procurement, the ownership of the IP may be dealt with under an agreement between the parties. Before granting a licence over IP material, or releasing it publicly, agencies should confirm that the State owns the IP.

4.4.2 Material includes some intellectual property owned by a third party

Material containing IP that is owned by the State may also include IP owned by a third party or parties. For example, the State normally owns copyright in a report prepared by a department, but such a report may also contain an image subject to third party copyright, or background material which already existed and has been contributed by a consultant. Before granting a licence over IP material, agencies should determine whether the State is the sole owner of the IP. If the State is not the sole owner, the agency should investigate the basis on which the third party copyright has been used to determine whether it may release the material under the terms of the proposed licence.
4.4.3 **Intellectual property is already licensed to a third party on an exclusive or sole basis**

IP owned by the State may already have been licensed to a third party. Such licences are sometimes granted on an ‘exclusive’ basis, meaning that the licensor (the State) is not entitled to licence the IP to any other party and ordinarily cannot use the IP material itself. This would normally prevent the material from being released publicly. The State can also licence material on a ‘sole’ basis. This means the State is not entitled to licence the IP to any other party, however the State can still use the material for other purposes. Before granting a licence over IP material, or releasing it publicly, agencies should confirm that the material has not been exclusively or solely licensed to a third party.

In each of these situations, an agency may need to negotiate with other copyright owners before licensing IP to the public or to another party.

Even non-exclusive licences can have terms which restrict further licensing of the IP. This includes terms which limit the territory for the application of the licensed IP.

If there is any doubt about the State’s capacity to licence particular IP, agencies should contact DTF at IPpolicy@dtf.vic.gov.au or seek legal advice.

4.5 **How to licence IP**

Copyright material is often the form of IP most appropriate for release to the public under licence. Chapter 4.7 of these Guidelines provides more detail on how to licence copyright material, particularly through the application of a Creative Commons licence.

Different considerations apply in licensing IP material other than copyright material. Principle 2 of the IP Policy still applies: rights must be granted to IP with the fewest possible restrictions. However, other forms of IP are generally more complex to licence and may have involved a cost to the State to register. There may also be reputational issues. For example, the State does not generally allow third parties to reproduce its crest or logos.

Commercialisation is a significant means of licensing non-copyright IP. Commercialisation is discussed further in Chapter 6.

Agencies must carefully consider the terms on which to licence IP material that is not copyright and, if required, contact DTF at IPpolicy@dtf.vic.gov.au or seek legal advice.

4.6 **Copyright material that should be licensed and released**

Copyright material is the most significant form of IP subject to Principle 2 of the IP Policy. A broad range of copyright material should be considered for licence and release to the public.

Subject to exercising some IP rights restrictively under Principle 3 of the IP Policy, agencies must take a broad approach to identifying copyright material that should be licensed to the public or a particular person or organisation.

The following checklist, adapted from the *Intellectual Property Principles for Australian Government agencies*, provides guidance. Agencies must encourage public use and easy access to material that meets any of the following criteria:
<table>
<thead>
<tr>
<th>#</th>
<th>Activity</th>
<th>Yes/No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Has material been prepared for the purpose of informing and advising the public of government policy and activities?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Has material been prepared for the purpose of providing information that will enable the public and organisations to understand their own obligations and responsibilities to government?</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Has material been prepared for the purpose of enabling the public and organisations to understand their entitlements to government assistance?</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Has material been prepared for the purpose of facilitating access to government services?</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Has material been prepared for the purpose of complying with public accountability requirements?</td>
<td></td>
</tr>
</tbody>
</table>

There are a number of circumstances in which copyright material must be considered for public release under an appropriate flexible licence. This includes, for example, where material has already been released to the public under a restrictive licence (for example, reports released under copyright).

It is noted that the *DataVic Access Policy* requires agencies to provide public access to datasets via the repository at data.vic.gov.au.

### 4.7 How to licence copyright material

The IP Policy requires the State to grant rights to its IP with the fewest possible restrictions to maximise its impact, value, accessibility and benefit.\(^{19}\) The State holds a significant amount of copyright material, and this material is often appropriate for release to a third party or the public at large. This is achieved under licence.

This subchapter sets out how to apply an appropriate form of licence to copyright material when releasing it to a third party or to the public. The need for an appropriate copyright notice on agencies websites is also addressed.\(^ {20}\)

### 4.7.1 What form of licence?

The most appropriate form of licence for the release of copyright material owned by the State will vary depending on the type of material involved and the circumstances of the release. Generally, the preferred form of licence for copyright material is a Creative Commons (CC) licence. However, a more restrictive form of licence may be preferable in particular circumstances.

---

\(^{19}\) See IP Policy Intent and IP Policy Principle 2.

\(^{20}\) See Chapter 4.8.
Typically, the type of material appropriate for release to the public under a CC licence includes reports, policies, guidelines, datasets, fact sheets and other documents prepared by the State that may be of some benefit to the public.

It is noted that there are additional risks and clearance issues relating to licensing copyright in:

- artistic works, including paintings, sculptures and photographs, musical works and films (such as performers rights and the need to obtain collecting society clearances);
- materials held in public archives or collections; and
- software.

Accordingly, legal advice should be obtained in these circumstances as to the appropriate form of licence and related issues.

4.7.2 Creative Commons licences

CC licences are a suite of open content international copyright licences developed for use by creators and adapted in a range of jurisdictions including Australia. Australian CC licences are currently version 3.0. CC licences are designed to provide copyright owners with an efficient way to manage the rights contained in their copyright work, and to provide copyright users with simple and flexible terms for use.

A CC licence always requires that users provide attribution in the form specified by the licensor. It also allows the copyright owner to apply one or more of three additional conditions, discussed below. They allow users of works to reproduce, communicate, distribute and perform those works without permission or payment. Some CC licences also allow users to make derivative works and to use works for a commercial purpose.

CC licences are applied by the licensor when the work is communicated or published. This process is automated via online tools. These tools include a version of the licence in so called ‘human readable’ form, the Legal Code which sets out the terms and conditions of the licence, and Digital Code which enables metadata to be attached to the online version of the work. This metadata, which can be added to by the licensor, allows works to be readily searched online.

CC licences are automated and designed to be used ‘as is’. Each contains a non-exclusive licence which is stated to be worldwide, royalty free, non-exclusive and perpetual (subject to the termination provision). They do not provide for the imposition of licence fees, or licensing for a limited duration or purpose.

The rights granted by each licence are designated by a symbol which denotes key concepts in CC licensing. There are six CC licences available in Australia which combine these features. Each is identified by a combination of the symbols, an acronym and a descriptive label. These six CC licenses are described below.

---


22 CC licences state that they may apply to any copyright work, but they are less suitable for use by agencies in relation to these works.

23 In particular, CC Licences should not be used for software.

24 CC licences state that they may apply to any copyright work, but they are less suitable for use by agencies in relation to these works.
4.7.3 Available Creative Commons licences

The CC Australia licences available are as follows:

- **Attribution (CC BY):** requires attribution as required by the licensor.
- **Attribution-Share Alike (CC BY-SA):** requires attribution and requires users of the work to licence any derivative works under the same terms.
- **Attribution-No Derivative Works (CC BY-ND):** requires attribution and prevents derivative works being made.
- **Attribution-Noncommercial (CC BY-NC):** requires attribution and prevents use of the work for commercial purposes.
- **Attribution-Noncommercial-Share Alike (CC BY-NC-SA):** requires attribution and prevents commercial use and requires users to licence any derivative works under the same terms.
- **Attribution-Noncommercial-No Derivatives (CC BY-NC-ND):** requires attribution and prevents commercial use and prevents derivative works being made.

The default licence of the Victorian public sector is CC BY.

However, at times it may be more appropriate to choose a more restrictive CC licence. Agencies should carefully consider the appropriate form of Australian CC 3.0 licence in the circumstances. A flowchart providing guidance is set out in Attachment 2.

4.7.4 How to apply a Creative Commons licence to new material

Prior to release to the public, all State copyright material that is appropriate for the application of a CC licence should have the licence applied as follows. (For copyright material that has already been released to the public, see Chapter 0 (How to licence existing copyright material) and Chapter 4.8 (Copyright notice for websites below).

As stated above, CC BY is the default licence for the State. A CC licence may be applied to copyright material by attaching a notice to this effect to the work. Accordingly, departments and agencies are encouraged to apply CC licences to template documents.

In many cases, the following notice may be appropriate:

© State of Victoria [year]

![Creative Commons Attribution 3.0 Australia licence](http://creativecommons.org/licenses/by/3.0/au/)

This work is licensed under a Creative Commons Attribution 3.0 Australia licence. You are free to re-use the work under that licence, on the condition that you credit the State of Victoria as author. The licence does not apply to any images, photographs or branding.

The notice ensures that the State does not provide third parties with a licence to use its branding, in order to protect the State’s reputation. Images and photographs are also excluded because they are often owned by third parties. However, if the work is an image or photograph, or if you intend to licence any images or photographs in the work, this part of the notice should not be included.

It is recommended that the notice be accompanied by a symbol indicating the CC licence applied. The symbols are available on the CC website at http://creativecommons.org.au

The Attribution licence symbol is as follows:

For online materials, the agency should include the Digital Code provided by CC.

The CC Australia website contains useful material relating to the application of CC licences by government at http://creativecommons.org.au/sectors/government

See in particular the CC and Government Guide: Using Creative Commons 3.0 Australia Licences on Government Copyright Materials and related fact sheets at http://eprints.qut.edu.au/38364/


4.7.5 How to licence existing copyright material

Agencies often receive requests from publishers and other members of the community to make use of State owned copyright material. For example, educational publishers sometimes contact the State to seek permission to reproduce departmental fact sheets in text books. In the past, such requests required the Attorney General’s approval under the Crown Copyright Guidelines. Under the IP Policy, this is no longer required.

When an agency receives a request to re-use copyright material, it must consider the matters addressed in this Chapter, and in particular, issues around ownership and capacity to licence. The IP Policy strongly encourages agencies to grant rights to IP with the fewest possible restrictions. However, the State’s IP rights may need to be exercised restrictively for reasons including privacy and compliance with the law.

In most cases, it is appropriate to provide permission for third parties to re-use State owned copyright material on flexible terms. Accordingly, where appropriate, it is recommended that agencies respond promptly to requests by providing permission to re-use the material on the terms of a Creative Commons CC BY licence.

---

25 See Chapter 4.4.

26 See IP Policy Intent and Principle 2.

27 See IP Policy Principle 3.
The following written response may be appropriate to achieve this:

On behalf of the State of Victoria, [Name of agency, for example, the Department of Treasury and Finance] grants you a licence to re-use [Name of copyright work, for example, Intellectual Property Guidelines] under the Creative Commons Attribution 3.0 Australia Licence [link to http://creativecommons.org/licenses/by/3.0/au/]. You are free to re-use the work under that licence, on the condition that you credit the State of Victoria as author. The licence does not apply to any images, photographs or branding. [Remove references to ‘photographs’ and/or ‘images’ if the work is a photograph or image or if you intend to licence any photograph or image in the work]

Existing material on agencies websites may also be licensed flexibly by applying a flexible copyright notice to all content on the website. See Chapter 4.8 for more detail.

Agencies are not required to refer requests for re-use of State copyright material to DTF but are welcome to contact DTF for assistance at IPpolicy@dtf.vic.gov.au.

4.7.6 Other licences for copyright material

CC licences are generic, and may not be appropriate in particular circumstances. This is particularly so where the licenced materials involve business or legal risks.

In this case, agencies should consider seeking legal advice as to whether it is appropriate to use a more restrictive licence for the release of the IP, which deals with specific disclaimers or relevant restrictions.

For example, CC licences provide no means to ensure that a licensee is using the most up to date information released by an agency. This can be an issue in relation to some significant government datasets. Where material of this kind is involved, the agency should consider application of the IP Principles as a whole in determining the most appropriate licence to use, which may be a more restrictive licence.

4.8 Copyright notice for websites

Under the IP Policy, in most cases the copyright notice that appears on agency websites should grant rights to use State owned copyright material on the website with the fewest possible restrictions.

DTF’s website includes a copyright notice under a CC licence, as follows:
Copyright

The Department of Treasury and Finance encourages the dissemination and re-use of information provided on this website.

The State of Victoria owns the copyright in all material produced by this department.

All material provided on this website is provided under a Creative Commons Attribution 3.0 Australia licence, with the exception of:

- any images, photographs or branding, including the Victorian Coat of Arms, the Victorian Government logo and the Department of Treasury and Finance logo; and
- content supplied by third parties.

The licence conditions are available here.

Attribution

Material obtained from this website is to be attributed as:

© State of Victoria.

Third party copyright

In some cases, a third party may hold copyright in material presented on this website. Their permission may be required to use the material.

Contact us

Enquiries about copyright and use of the material on this website can be directed to:

Government IP Policy
Department of Treasury and Finance
Email: IPpolicy@dtf.vic.gov.au

The DTF copyright notice is available at DTF’s website. Agencies are welcome to adapt the DTF notice for their own websites.

The DTF copyright notice excludes content supplied by third parties. Agencies should be careful to ensure that they do not purport to licence material owned by third parties, unless they have the clear right to do so. Where possible, they should clearly identify material provided on their websites in which the copyright is owned by a third party.

Agencies should consult with their legal team prior to changing a website copyright notice.

4.9 Transfer of State IP between agencies

Where functions of a department or agency transfer within the public sector through a machinery of government change or new legislation, IP should be treated as any other asset and transferred in line with the functions and should be managed accordingly.

---

28 http://www.dtf.vic.gov.au/Legal/Copyright
4.10 Re-assignment or disposal of State IP

In some circumstances, it may be appropriate for an agency to re-assign or dispose of IP. In determining whether it is appropriate to do so, an agency should have regard to the IP Policy Intent. The question is whether re-assigning or disposing IP will maximise its impact, value, accessibility and benefit consistent with the public interest. Agencies should consider whether other options, such as flexibly licensing the IP, would better maximise these benefits.

Circumstances where it may be appropriate to re-assign or dispose of IP include where:

- the IP is surplus to requirement;
- the IP has reached the end of its usefulness;
- the IP can be better exploited by a third party;
- the IP has expired or is no longer serviceable;\(^{29}\)
- the State outsources or insources a function; and
- the State attains ownership of IP under a funding agreement which is not required.

In determining how to deal with the disposal of IP that has been created or is owned by the State, it is important to note that IP is an asset and subject to the State guidelines and policies that apply to the disposal of other State assets.

Disposal of IP should be conducted in an open, accountable and competitive manner, including by use of a competitive process for the selection of commercial partners where appropriate.

Agencies are encouraged to consult their Disposal Management Plan.\(^{30}\) For further guidance see the Australian Accounting Standard 138\(^{31}\) and the Asset Management Framework\(^{32}\).

---

The Victorian Government Purchasing Board (VGPB) advises that:

*Assets of (or belonging to, or in the care, custody or control of) a department considered to be redundant, unserviceable, obsolete or surplus to requirements are to be disposed of by departments adopting procedures that are systematic, ethical and transparent.*

---

\(^{29}\) This factor does not apply in the case of patents or plant breeder’s right as upon expiry they become public property. More information is provided in Attachment 5.


Under the Disposal of Assets Policy, each Accredited Purchasing Unit (APU) or Accountable Officer must develop and implement a disposal management plan. The following are key requirements of a disposal management plan as they relate to IP:

<table>
<thead>
<tr>
<th>#</th>
<th>Activity</th>
<th>Yes/No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Have you defined the appropriate disposal method for the category of asset in question?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Have you received appropriate approval for the disposal strategy?</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Do you have a process in place for adjusting your department’s asset register?</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Have you noted prohibited actions (e.g. direct sales to staff members)?</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Have you identified a time to review the plan (not to exceed three years)?</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Are you aware of compliance reporting obligations? Provision of disposal statistics are a requirement of a department’s Annual Supply Report.</td>
<td></td>
</tr>
</tbody>
</table>

It is noted that IP contained in records may be subject to the Public Records Act (1973) and the Public Record Office of Victoria’s (PROV) mandatory guidelines. Given that there are a number of complex record-keeping issues associated with disposal of IP, it is recommended that agencies contact PROV prior to disposal at enquiries@prov.vic.gov.au.

---


5. State procurement

**IP Policy Principle 9:** When State procurement may result in intellectual property being generated, the State:

a) addresses in an agreement any rights to intellectual property (including pre-existing intellectual property) that may arise as a consequence of the procurement;

b) secures a licence to the intellectual property, only to the extent necessary to achieve the purposes of the procurement; and

c) only acquires ownership of the intellectual property if a licence is not adequate in the circumstances.

5.1 Overview

The State enters into many contracts that result in the use, creation or assignment of IP in some form. The IP generated can be the purpose of the procurement, or arise incidentally. In both of these cases IP rights and issues must be addressed.

Procurement processes and contracts must reflect the requirements of the IP Policy.

Principle 9 applies to all State procurement, including goods, services and construction.

This Chapter gives further detail on how to address IP in procurement agreements (Chapter 5.2), securing a licence over IP (Chapter 5.3), acquiring ownership of IP (Chapter 5.4), and outsourcing (Chapter 5.5).

5.2 Addressing IP in procurement agreements

Principle 9(a) of the IP Policy provides that procurement agreements must address any rights to intellectual property (including pre-existing intellectual property) that may arise as a consequence of the procurement.

The State routinely enters into procurement agreements that involve IP. IP may arise in a procurement agreement in a number of ways:

- **IP Inputs:** IP brought to the agreement by the agency and/or contractor, including:
  - **Background IP:** existing IP owned by the agency or the contractor and brought to the agreement as a tool or building block, such as pre-existing business processes;
  - **Third Party IP:** IP brought to the agreement by one of the parties to the contract but owned by a third party, such as software programs;

- **IP Outputs:** IP generated as a result of the agreement, usually referred to as *Project IP* or *Developed IP*. There may also be improvements made to IP inputs which are created incidentally to the procurement activity. These should also be considered as part of the Project IP.\(^\text{36}\)

The following diagram shows how these concepts interact:\(^{37}\)

![Diagram showing IP concepts interaction]

Common deliverables generated during procurement which may include Project IP include:\(^{38}\)

<table>
<thead>
<tr>
<th>Procurement of goods</th>
<th>Designs, inventions, parts, specifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement of services (including services to be provided on behalf of the government)</td>
<td>Reports, written materials, inventions or innovations, design and management of websites, confidential information, brands</td>
</tr>
<tr>
<td>Procurement of software/software services</td>
<td>Software code, user manuals, specifications, data, software modifications</td>
</tr>
<tr>
<td>Procurement of consultancy services</td>
<td>Design and delivery of training packages, discussion papers and reports of reviews carried out on behalf of government, IP/confidential material similar to that produced by employees of the agency</td>
</tr>
</tbody>
</table>

Procurement agreements must address Background IP, Third Party IP and Project IP in a manner appropriate to the purpose of procurement and consistent with the IP Policy. Appropriate contract management procedures must be followed, including the ongoing management of any IP at the time of variations to the contract and after the contract has ended.

Agencies are encouraged to develop or amend existing pro forma procurement contracts to include standard IP provisions that are consistent with the IP Policy. In doing so, agencies are encouraged to consult with DTF at IPpolicy@dtf.vic.gov.au.


A significant issue to address in procurement agreements is licensing and ownership of IP. This is discussed in the following subchapters.

5.3 Securing a licence to IP

Principle 9(b) of the IP Policy provides that an agency may only secure a licence over IP in a procurement agreement to the extent necessary to achieve the purposes of the procurement. This Principle reflects the Policy Intent of the IP Policy to maximise the value of IP to the community, and the commercialisation Principles which prevent agencies from commercialising IP without a statutory function or the Assistant Treasurer’s approval. Rather than seeking ownership, securing a licence over Project IP may simplify negotiations and result in a lower purchase price.

Where IP inputs (Background IP and/or Third Party IP) will be brought to a procurement agreement, the agreement must address the State’s use of those inputs. The default position is that:

- the Background IP of each party remains the property of that party, along with any improvements to such Background IP; and
- the contractor must grant the agency a licence over the Background IP and any Third Party IP to the extent needed to allow the agency to enjoy the full benefit of the agreement.

The default position for Project IP is the contractor must grant the agency a licence over the Project IP to the extent necessary to achieve the purposes of the procurement. Accordingly, it is appropriate for pro forma request for tender documents and procurement contracts to include a clause to this effect.

While the licence over Project IP must be restricted in scope to the purposes of the procurement, agencies should carefully consider what these purposes are and what they may be in the future. Depending on the circumstances, the licence may need to allow other agencies (not involved in the specific procurement) to use the IP, allow the IP to be used and adapted for subsequent projects, allow the IP to be adapted later by another service provider engaged by government, and allow the IP to be released publicly. For example, if an agency procured the development of a software program, it would be prudent to consider the need for a licence allowing the agency to engage a third party to repair and maintain the software.

The licence must address issues such as exclusivity, territory, term, royalties, sublicence rights and (in ICT contracts) access to source code. Agencies may consider seeking legal advice on these issues.

5.4 Acquiring ownership of IP

Principle 9(c) of the IP Policy provides that an agency may only acquire ownership of IP if a licence is not adequate in the circumstances. Acquiring ownership of IP under a procurement agreement is discouraged under the IP Policy. It is normally inconsistent with the Policy Intent of the IP Policy to maximise the value of IP to the community. It can also make negotiations with contractors more complex and result in a higher purchase price.

39 The IP Policy refers to the Treasurer in this Principle, but in practice the Assistant Treasurer is responsible for authorisation requests under Principle 8(b).
The State may only acquire ownership of IP under a procurement agreement where the agency has a specific purpose for use of the IP that cannot be achieved under a licence. This is unlikely to be the case in most circumstances. However, ownership of IP may be required in some cases, including:

- where development of the IP is the purpose of the contract (for example, where a contractor is engaged to develop enhancements to the agency’s IP);
- where the IP is an essential part of delivering a core State service;  
- where an existing agreement requires the State to retain ownership;
- for reasons of privacy, public safety, security and law enforcement, public health, commercialisation and compliance with the law; and
- where it is the best way to maximise the impact, value, accessibility and benefit of the IP consistent with the public interest (for example, where the State retains ownership of copyright material produced during procurement to ensure the free release of that material to the public, but only where this could not be achieved through licence).

Where ownership of IP is contemplated to facilitate commercialisation, it must be noted that commercialisation is only available under a statutory function or the Assistant Treasurer’s approval. This is discussed further in Chapter 6.

Agencies are encouraged to develop a process for assessing and approving those cases where it is considered appropriate to seek ownership of IP.

It is noted that the Principle that IP should not be owned by the State applies to the contractor’s IP inputs and to Project IP. It does not apply to Background IP provided by the agency, which should usually remain the property of the agency.

5.5 Impact of other requirements

Agencies must be aware of other requirements that impact on their procurement agreements.

The VGPB sets the policies that govern procurement of non-construction goods and services across all Victorian Government departments and some public bodies. The VGPB is currently reviewing its policies. DTF is working with the VGPB to ensure that procurement policies and standard contract terms are consistent with the IP policy.

Another example is outsourcing. It is important that agencies address any IP issues that arise from outsourcing as they would in any procurement contract. If IP necessary for an agency’s current or ongoing operations is generated as a result of outsourcing, an agency should consider an adequate licence to use the IP in the agreement. This is particularly important where the IP may continue to be of value to the agency once the outsourcing agreement ends or in the case where there is a change in supplier.

40 See Chapter 7.2 for more detail.
41 See Principle 3 of the IP Policy.
42 See IP Policy Intent.
43 The IP Policy refers to the Treasurer in this Principle, but in practice the Assistant Treasurer is responsible for authorisation requests under Principle 8(b).
6. Commercialisation of State owned IP

**Intellectual Property Guidelines** for the Victorian Public Sector (Working Draft), November 2013

### 6.1 Overview

State owned IP is commercialised when it is licensed or sold to the public or third parties on a commercial or cost recovery basis. Commercialisation includes:

- licensing or selling compilations of information held on Registers;
- charging a fee for access to an information website;
- seeking royalty payments for the publication of State copyright material;
- licensing or selling a patent; and
- licensing or selling an IT system.

Principles 7 and 8 of the IP Policy deal with commercialisation. Principle 7 provides that the **State is not in the business of commercialising intellectual property, and does not create intellectual property in order to generate a financial return.**

**Principle 8:** An agency may commercialise, or apply the Cost Recovery Guidelines to, intellectual property if:

- a) it has an explicit statutory function to do so; or
- b) it has been explicitly authorised by the Treasurer to do so because of a clear net benefit to the Victorian community.

Accordingly, the State discourages the commercialisation of IP except where provided for by legislation or in other exceptional circumstances.

The commercialisation principles fit within the context of:

- the IP Policy Intent that the State grants rights to its IP, as a public asset, in a manner that maximises its impact, value, accessibility and benefit consistent with the public interest;
- Principle 2 of the IP Policy, which provides that the State grants rights to its IP with the fewest possible restrictions; and
- Principle 3 of the IP Policy, which provides that the State may exercise its IP rights restrictively for commercialisation, amongst other things.

---

The IP Policy refers to the Treasurer in this Principle, but in practice the Assistant Treasurer is responsible for authorisation requests under Principle 8(b).
6.2 Where commercialisation is available

As noted, Principle 8 of the IP Policy provides two bases on which an agency may commercialise, or apply the Cost Recovery Guidelines, to IP. An agency may do so if:

a) it has an explicit statutory function to do so; or

b) it has been explicitly authorised by the Assistant Treasurer to do so because of a clear net benefit to the Victorian community.

Each basis for commercialisation is discussed further below.

6.2.1 Commercialisation under explicit statutory function

An agency may commercialise or apply the Cost Recovery Guidelines to IP if it has an explicit statutory function to do so. An example is the statutory function of the National Gallery of Victoria to sell books, information and reproductions in relation to pictures, works of art and art exhibits. In such cases there is no need for the agency to seek authorisation for commercialisation or cost recovery.

Some statutes may provide an agency with a power, rather than a function, to commercialise IP. Whether this allows commercialisation under the IP Policy will depend on the surrounding circumstances.

An example of this situation arises in relation to water corporations. The Water Act 1989 (Vic) gives water corporations the power to commercialise IP with the Minister for Water’s approval. The Water Act also requires the corporations to act commercially. Given the commercial focus of the water corporations, the Assistant Treasurer has confirmed that commercialisation of their IP is generally acceptable under the IP Policy, subject to the requirements of the Water Act and having regard to the IP Policy.

Agencies that intend to commercialise IP under Principle 8(a) should carefully consider whether there is an explicit statutory function to do so. If there is any doubt about whether Principle 8(a) applies, an agency should consult with DTF at IPpolicy@dtf.vic.gov.au.

6.2.2 Commercialisation with Ministerial authorisation

If an agency intends to commercialise or apply the Cost Recovery Guidelines to IP without an explicit statutory function to do so, it requires explicit authorisation by the Assistant Treasurer under Principle 8(b) of the IP Policy.

This Principle applies when:

- an agency proposes to enter a new commercialisation arrangement in relation to existing State owned IP (even where that IP has previously been commercialised);

- an agency proposes to develop IP to be commercialised (including developing new IP for the purpose of an existing commercialisation arrangement); and

- an existing commercialisation arrangement comes up for renewal or amendment.

45 See previous footnote.


47 Section 129.

48 The IP Policy refers to the Treasurer in this Principle, but in practice the Assistant Treasurer is responsible for authorisation requests under Principle 8(b).
Commercialisation or application of the Cost Recovery Guidelines may be authorised where the agency has demonstrated that it will result in a clear net benefit to the Victorian community. Assessment of the benefit to the community will be informed by the IP Policy Intent: that rights to IP should be granted in a manner that maximises its impact, value, accessibility and benefit consistent with the public interest.

Approval to commercialise or apply the Cost Recovery Guidelines will only be granted in exceptional cases, having regard to all of the circumstances. For example, the possibility of a financial return from commercialisation will not, of itself, necessarily constitute a clear net benefit to the Victorian community.

A request for authorisation under Principle 8(b) must be made by letter from the departmental secretary or agency head to the Secretary of DTF. The letter must provide all relevant information about the proposed commercialisation or cost recovery, and explain the grounds on which the agency considers that commercialisation will result in a clear net benefit to the Victorian community, having regard to the IP Policy.

The letter may also include the commercialisation checklist set out in Attachment 3, completed by the agency. All of the relevant information identified in the checklist should be included in the letter.

The onus is on the requesting agency to demonstrate that there is a clear net benefit to the Victorian community. This may require the agency to demonstrate a market failure that the commercialisation will address.

Agencies should consider conducting a cost benefit analysis of proposed commercialisations, and should take care to identify costs and risks associated with commercialisation. Agencies should ensure that they own and have capacity to licence the IP.

The IP team in DTF will consider the request for authorisation approval as quickly as possible and make a recommendation to the Assistant Treasurer. In doing so, DTF may seek more information from the agency. It is recommended that agencies consult with DTF at the early stages of preparing a request under Principle 8(b) at ipolicy@dtf.vic.gov.au.

In some cases, there may be an alternative option to commercialisation or cost recovery that better meets the agency’s needs. For example, some agencies may commercialise copyright material to protect the integrity of important information contained in it. However, releasing the information freely on a licence that restricts the creation of derivative works may achieve the same goal without commercialisation. Similarly, rather than registering a patent over an innovation or invention, an agency should explore the costs and benefits associated with releasing information about it freely to the public.


50 See discussion in Chapter 4.4 for more detail.
6.2.3 Cost Recovery Guidelines

Principle 8 of the IP Policy also applies where an agency intends to charge for IP on a cost recovery basis.

The Cost Recovery Guidelines (January 2013) establish a whole of government framework for the manner in which agencies may impose fees and charges to recover costs. In particular, any cost recovery arrangements must be transparent, efficient, effective and consistent with legislative requirements and government policy. General government policy is that regulatory fees and user charges should be set on a full cost recovery basis.51

Under the IP Policy, the Cost Recovery Guidelines may only be applied to IP under an explicit statutory function or with the authorisation of the Assistant Treasurer. See discussion in parts 6.2.1 and 6.2.2 above.

Where the Assistant Treasurer authorises cost recovery under the IP Policy, the agency is then required to apply the Cost Recovery Guidelines in developing a model for cost recovery. The agency may be required to prepare (or seek an exemption to) a Regulatory Impact Statement and seek the Treasurer’s approval of the model.

7. Protecting and enforcing intellectual property rights

**IP Policy Principle 6:** The State responds to breaches of its intellectual property rights where appropriate in order to maintain its reputation or the value of its intellectual property.

7.1 Overview

As owners of IP, agencies have the power to protect and enforce their IP rights. Protecting IP normally refers to seeking registration of particular types of IP or otherwise alerting third parties to the agency’s ownership of IP. It may also include keeping information confidential.

Enforcing IP normally means responding to breaches of IP by third parties.

The IP Policy requires agencies to deal with their IP in a manner that maximises value to the community. For this reason, the IP Policy only encourages the protection and enforcement of IP in limited circumstances. These are discussed further below.

7.2 Protecting IP rights

In some circumstances it is appropriate for an agency to protect or restrict access to its IP. Principle 3 states that the State may exercise its IP rights restrictively for reasons of:

- privacy;
- public safety;
- security and law enforcement;
- public health;
- commercialisation; and
- compliance with the law.

For example, while the IP Policy encourages the release of State copyright material, material relevant to ongoing criminal investigations may be protected for reasons of security and law enforcement. Another example occurs when releasing documents under freedom of information, where measures are often required to protect privacy.

In appropriate circumstances, the State also protects and enforces IP that is critical to ensuring continuity in core government services and capability.

Where IP is an essential part of delivering a core State service, agencies must ensure that it will always have access to that IP. Some core functions are concerned with producing materials, such as legislation, authoritative advice or data. It is important that users can be certain of the integrity and accuracy of the material. Another consideration in protecting IP is the reputational risk to the Government.

The following table provides guidance on the circumstances and manner in which agencies may protect particular IP rights:
<table>
<thead>
<tr>
<th>Form of IP</th>
<th>Circumstances requiring protection</th>
<th>Manner of protection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copyright</td>
<td>Legislation, authoritative advice, public health information, etc.</td>
<td>Automatic</td>
</tr>
<tr>
<td>Patent</td>
<td>Commercialisation of inventions (requires approval under IP Policy – see Chapter 6)</td>
<td>Registration required$^{53}$</td>
</tr>
<tr>
<td>Trade mark</td>
<td>Identifying a unique product or service, government branding.</td>
<td>Automatic or registered$^{54}$</td>
</tr>
<tr>
<td>Designs</td>
<td>Commercialisation of products developed with unique appearance (requires approval under IP Policy – see Chapter 6)</td>
<td>Registration required$^{55}$</td>
</tr>
<tr>
<td>Plant breeder's rights</td>
<td>Commercialisation of new varieties of plants that are distinct, uniform and stable (requires approval under IP Policy – see Chapter 6)</td>
<td>Registration required$^{56}$</td>
</tr>
<tr>
<td>Circuit layouts</td>
<td>Original layout designs for integrated circuits and computer chips</td>
<td>Automatic</td>
</tr>
</tbody>
</table>

Confidential information may also need to be protected. However, it may or may not include IP rights such as copyright. In dealing with confidential information, agencies should consider the Victorian Government Information Security Management Policy $^{57}$.

### 7.3 Enforcing IP rights

Principle 6 of the IP Policy provides that the State responds to breaches of its intellectual property rights where appropriate in order to maintain its reputation or the value of its intellectual property.

An agency must not respond to a breach without first identifying a need to do so for reputational or value reasons or due to contractual obligations.

An agency’s response to a breach of IP must take into account the IP Policy more broadly, such as the focus on maximising the value of IP to the community. The response must be proportionate to the seriousness of the reputational or loss of value risk to the State.

For example, if a third party website commercialised a document that the State owned and provided freely to the public on an agency’s website, this is likely to be a breach of copyright.

$^{52}$ These are examples of circumstances in which this form of IP may require protection. They do not apply in all cases and agencies should consider on a case by case basis whether particular material requires protection in the context of the IP Policy.

$^{53}$ For detail on the registration process, see Attachment 5.

$^{54}$ For detail on the registration process, see Attachment 5.

$^{55}$ For detail on the registration process, see Attachment 5.

$^{56}$ For detail on the registration process, see Attachment 5.

It may be appropriate to respond to protect the State’s reputation as a provider of free information to the public. The appropriate response may be to request that the website notify users that the document is provided freely by the State. Given the IP Policy’s emphasis on the re-use of State IP, it may not be appropriate to demand that the website stop publishing the document, or to demand compensation.

Failure to enforce the State’s IP rights in appropriate circumstances can carry several risks, including:

- reducing the value of the IP;
- damaging the reputation and image of the agency or the State generally;
- financial loss;
- failure to meet contractual obligations the agency may have to other parties, especially licensees; and
- failing to deter infringement of the IP by others.\(^{58}\)

In considering the appropriate response to a breach, an agency may obtain appropriate legal and commercial advice to assist in decision making. Advice on the application of the IP Policy to specific breaches may be sought from the DTF IP team at IPpolicy@dtf.vic.gov.au

7.3.1 Reporting breaches of the State’s IP

When an agency becomes aware of a breach of the State’s significant IP\(^ {59}\), the agency must report it to the DTF IP team at IPpolicy@dtf.vic.gov.au. This includes cases when an agency decides not to enforce its rights.

The report should include:

- the nature and type of IP;
- details of the infringement;
- any action considered or taken by an agency to enforce its rights; and
- the outcome of any action taken by an agency.

DTF will keep a register of all breaches to State IP. The report will be used by DTF to monitor compliance with the IP Policy.

See Chapter 11: Compliance and reporting for more details.

---


\(^{59}\) More guidance on significant IP is provided in Chapter 1.8.
8. Funding and Grants

**IP Policy Principle 10**: When the State provides a grant or similar funding for an identified purpose or project, the State:

a) addresses in an agreement any rights to intellectual property (including pre-existing intellectual property) that may arise as a consequence of the grant or funding;

b) does not secure a licence to the intellectual property unless there is a stated purpose for doing so, and then only to the minimum extent necessary to achieve that purpose;

c) if a licence would not be adequate in the circumstances, acquires ownership of the resulting intellectual property; and

d) ensures that ownership of the intellectual property is able to be assigned to or by the State if the intellectual property is not used by the recipient for the purpose of the grant or funding within a reasonable time.

8.1 Overview

Funding agreements, processes and contracts must reflect the requirements of the IP Policy. State provision of grants and funding is a significant feature of public sector administration. For some agencies it constitutes part of their core function. The objectives of individual grants or funding arrangements vary, and should be taken into account when agencies make IP ownership or licensing decisions.

Common types of IP generated as a result of funding and grants include written or multimedia content, reports, research results, inventions, designs, information products, data and confidential information.

Principles 10(b) and (c) are particularly relevant to consider in reaching funding and grant agreements. A licence over project IP must not be sought unless there is a stated purpose, and only to the minimum extent necessary to achieve that purpose. Ownership may only be sought where a licence is not adequate to achieve that purpose. This issue is expanded in Chapters 8.3 and 8.4 below.

Sometimes, the State is involved in joint funding arrangements with external parties such as the Federal Government. In these cases, agencies should apply the IP Policy to the extent possible in the circumstances.

8.2 Addressing IP rights

Principle 10(a) of the IP Policy provides that funding and grant agreements must address any rights to IP (including pre-existing IP) that may arise as a consequence of the grant or funding.

A key issue to be addressed is IP ownership and licence terms, including royalties. The default position is that the recipient of the grant or funding should retain ownership, and the State may only acquire a licence where necessary for a specific purpose. The issues impacting on State licence or ownership are discussed in Chapter 8.3 and 8.4 below.

In addressing IP rights, agencies must comply with relevant IP management frameworks in relation to government funding, and clarify and manage the possibility of conflicting claims on the IP created or developed under funding agreements from other funding agencies (e.g. the Commonwealth Government, private sector, donations or bequests).
Agencies may also need to ensure that the funded body has adequate IP management policies and procedures with respect to its risks and responsibilities for IP under the funding agreement.

The Common Funding Agreement for not-for-profits, discussed in Chapter 8.5 below, provides generally for IP rights. When using the Common Funding Agreement, agencies should consider whether the general IP provisions are appropriate, and whether further provisions are required in the circumstances.

8.3 Securing a licence to IP

In funding and grant agreements, agencies may only seek a licence over IP produced under the agreement to the extent necessary to achieve a stated purpose.

Accordingly, a licence should only be sought where the State has a genuine purpose for use of the IP, and this purpose is stated in funding agreement. For example, in a funding agreement for scientific research, it may be appropriate to secure a licence over the material to ensure that it is released freely to the public after publication.

If that stated purpose cannot be achieved through a licence, or the circumstances otherwise require it, an agency may consider seeking ownership of the IP. More detail is provided in the next subchapter.

The Common Funding Agreement for not-for-profits, discussed in Chapter 8.5 below, provides generally for licensing and, if required, State ownership of IP. One of the provisions in the terms and conditions provides the State with a licence over IP to the extent needed to allow the State to enjoy the full benefit of the funding agreement. This is a stated purpose that in most cases would meet the requirements of Principle 10(b).

8.4 Acquiring ownership of IP

In a funding agreement, State ownership of IP should only be sought where a licence is not adequate in the circumstances.

In considering whether ownership is required, agencies should consider:

- the purpose of the grant;
- the amount of existing IP contributed by the grant recipient;
- the extent of contribution (in monetary and other terms) by the grant recipient to the development of Project IP;
- the extent to which imposing ownership will operate as a disincentive to the effective use or commercialisation of the Project IP; and
- the benefits to the public by imposing ownership conditions on the Project IP.

In some cases, such as many research or funding programs, a too restrictive approach to ownership of IP by the State could prove to be a disincentive to potential applicants. Recipients of grants or funding arrangements may be receiving funds from several sources, such as other jurisdictions or the private sector. Insistence on IP ownership may in the case of collaborative funding be impractical.

If the State is to own IP created or developed under the funding agreement, the agency must ensure the funding agreement clearly specifies the scope of the IP to be owned by the State.

---

Consistent with Principle 10(d) of the IP Policy, the funding agreement should provide for the situation where the IP is not used by the recipient for the purpose of the grant or funding within a reasonable time. Options include providing for a reversion of ownership of the IP to the State, or pursuing the agency for a breach of the funding agreement. What is a reasonable time for use of the IP will depend on the nature of the IP and should be addressed in the agreement.

The Common Funding Agreement for not-for-profits provides a means for agencies to take ownership of IP by providing written notice to the funding recipient prior to the delivery of part of the project that it will own the IP. This provision must only be used consistently with the IP Policy and the guidance given in these Guidelines.

### 8.5 Common Funding Agreement for not-for-profits

The Government mandated the Common Funding Agreement for not-for-profits (CFA) for use by departments for new funding agreements with not-for-profit community organisations for community services and project grants from 1 January 2013.

The CFA is made up of:

- standard, locked down terms and conditions;
- an editable schedule that is used with the terms and conditions;
- an editable short form for use with lower risk grants; and
- a clause bank of additional terms and conditions for use with the schedule or the short form.

The terms and conditions include a clause dealing with IP (clause 16). Relevantly, it provides that the funding recipient owns all IP created under the funded project. This is subject to a right of the agency to give written notice to the recipient prior to the delivery of part of the project that it will own the IP. This right must only be used consistently with the IP Policy and the guidance given in these Guidelines above.

The short form includes additional provisions dealing with IP, some of which deal with ownership issues. As with the terms and conditions, these must only be used consistently with the IP Policy and the guidance given in these Guidelines above.

The short form also includes a provision allowing agencies to require the funding recipient to make particular IP available to the public. Agencies should consider whether this provision may be appropriate where a purpose of the funding is for IP such as copyright material to be produced for the benefit of the community. The use of this provision in such circumstances may mean that there is no need for the agency to take a licence over or ownership of the IP.

When using the CFA, agencies should consider whether the general IP provisions are appropriate, and whether further provisions from the short form are required in the circumstances, consistent with the IP Policy and these Guidelines.

Information on the CFA can be found at the Department of Human Services website.\(^\text{62}\)

---

\(^{61}\) See clauses 16.3 and 16.4 of the CFA terms and conditions.

9. Moral Rights

IP Policy Principle 5: The State manages the moral rights of creators as required under the Copyright Act 1968 (Cth).

9.1 Overview

Part IX of the Copyright Act recognises that individuals (including State employees) are entitled to moral rights associated with their work, to protect their reputation and integrity. The moral rights include:
- the right of attribution;
- the right against false attribution;
- the right of integrity of authorship.

Moral rights apply to literary, dramatic, musical and artistic works and to films, sound recordings and live performances. In general they last for the same period as copyright. These rights are separate from copyright. Even where a creator (such as an author, artist, film producer, director or screenplay writer) does not own copyright in his or her work, they retain moral rights. Moral rights may not be assigned or waived, but creators may consent to acts or omissions in relation to their works which would otherwise infringe their moral rights.

Moral rights in a work can only be held by individuals. Corporate entities and organisations, including the State and agencies, do not have moral rights.

The State as an employer is subject to the same obligations as other employers in relation to moral rights and copyright. Principle 5 of the IP Policy recognises this in providing that the State manages the moral rights of creators as required under the Copyright Act. Accordingly, agencies must recognise the moral rights of authors unless it is reasonable not to do so.

9.2 Right of attribution

The Copyright Act provides that the author of a work has a right of attribution of ownership in respect of the work. This requires the author to be identified by any reasonable form of identification that is clear and reasonably prominent. Further, a reasonable request by the author to be identified in a particular way must be met.

---

63 Copyright Act 1968 (Cth) s 190
64 Copyright Act 1968 (Cth) s 193
65 Copyright Act 1968 (Cth) s 195AC
66 Copyright Act 1968 (Cth) s 195AI
67 See discussion of reasonableness in Chapter 9.2.
68 Copyright Act 1968 (Cth) s 193
69 Copyright Act 1968 (Cth) s 195-195AB
Failure to attribute the author may be an infringement of moral rights. However, there is no infringement if it was reasonable not to identify the author. What is reasonable in the circumstances depends on a number of factors, including the nature, purpose and context of the work and, if the work has two or more authors, their views about the failure to identify them.\(^{70}\)

For agencies, there may be circumstances in which attribution is not strictly required. This may include where there is no existing practice of attributing the author of works, or where the author has consented in writing not to be identified.

Agencies should consider whether there is a need to seek written consent from employees to not be identified as the author of copyright material, as discussed in Chapter 9.5 below.

If there is any doubt about the requirement for attribution, agencies should consult with DTF at IPpolicy@dtf.vic.gov.au.

9.3 Right against false attribution

The Copyright Act provides that the author of a work has a right not to have authorship of the work falsely attributed.\(^{71}\)

This means that the State must not insert a person’s name in a work in a way that would falsely imply that the person is the author, or deal with such a work.\(^{72}\)

There is no ‘reasonableness’ defence in relation to the right against false attribution.

9.4 Right of integrity of authorship

The Copyright Act provides that the author of a work has a right of integrity of authorship. This means that the work must not be subjected to derogatory treatment.\(^{73}\)

Derogatory treatment means the doing, in relation to the work,\(^{74}\) of anything that results in a change that is prejudicial to the author’s honour or reputation.\(^{75}\)

9.5 Moral rights consent

The Copyright Act provides that an author, including an employee, may give a written consent to acts that would otherwise be an infringement of an author’s moral rights.\(^{76}\)

As discussed in Chapter 9.2 above, it may be reasonable for an agency to not attribute an author, particularly if there is no existing practice of doing so. However, agencies should consider the need for obtaining a moral rights consent in the circumstances indicated in the following checklists. Two checklists are provided, one for State employees and one for contractors.

\(^{70}\) Copyright Act 1968 (Cth) s 195AR
\(^{71}\) Copyright Act 1968 (Cth) s 195AC
\(^{72}\) Copyright Act 1968 (Cth) s 195AD-195AH
\(^{73}\) Copyright Act 1968 (Cth) s 195AI
\(^{74}\) Including a literary, dramatic or musical work, an artistic work or a cinematograph film.
\(^{75}\) Copyright Act 1968 (Cth) s 195AJ-195AL
\(^{76}\) Copyright Act 1968 (Cth) ss 195AW and 195AWA
The checklists relate to moral rights in literary works (such as reports, policies, manuals and other written materials). Moral rights in relation to artistic works, musical works or films (in any form) will raise particular issues which should be referred for legal advice.

Consents cannot be given by organisations on behalf of an individual. They must be signed by the consenting person.

Where a moral rights consent form is appropriate, a template form is provided in Attachment 4.

9.5.1 When to seek moral rights consent from State employees

Agencies should consider obtaining a moral rights consent from an employee in circumstances where they intend not to attribute the employee as the author of a work and some or all of these factors apply:

<table>
<thead>
<tr>
<th>#</th>
<th>Factor</th>
<th>Yes/No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Does the work contain opinion or original thought?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Does the work involve culturally sensitive material?</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Is the employee recognised as an expert or leader, such as a key academic?</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Does the work involve substantial contributions from a few key individuals, rather than many individuals making numerous contributions?</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Is the extent of creative contribution by the employee high?</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Is the employee responsible for the inspiration behind the work and the creative effort in bringing it into existence?</td>
<td></td>
</tr>
</tbody>
</table>

Agencies must always seek legal advice before obtaining moral rights consents from employees, unless this is their standard practice.

The consents may either be in relation to specified works or classes of works, and for specified acts or omissions that would otherwise amount to a breach of moral rights, or a general consent with respect to all works produced in the course of employment. A general moral rights consent template is provided in Attachment 4.
9.5.2 When to seek moral rights consent from contractors

Agencies may require contractors to obtain moral rights consents from creators employed by them where they intend not to attribute the contractor as the author of a work some or all of these factors apply:

<table>
<thead>
<tr>
<th>#</th>
<th>Factor</th>
<th>Yes/No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Does the agency require the option of making alterations to the work?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Is the work to be published, rather than used for internal purposes?</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Does the work involve significant original work and creative contribution? (For example, a consent would be essential for a commissioned literary work).</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Is the practice in the industry in which the contractor operates to name individuals as authors of their work?</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Does the work contain opinion or original thought?</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Does the work involve culturally sensitive material?</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Is the creator recognised as an expert or leader, such as a key academic?</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Does the work involve substantial contributions from a few key individuals, rather than many individuals making numerous and imprecise contributions?</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Does the contract involve copyright material such as commissioning agreements, research agreements, consulting agreements, licence agreements, or a contract for the development or procurement of works, especially artistic works, musical works or films?</td>
<td></td>
</tr>
</tbody>
</table>

The consent must be in relation to specified works or classes of works, and for specified acts or omissions that would otherwise amount to a breach of moral rights.

Pro forma procurement contracts may include a moral rights consent form.
10. Use by the State of third-party IP

**IP Policy Principle 11**: The State deals with third party intellectual property in a manner that:

(a) avoids infringing the intellectual property rights of others and complies with the law; and
(b) provides equitable remuneration to intellectual property owners (whether directly or through collecting societies) in a manner consistent with the responsible spending of public moneys.

10.1 Overview

The State often uses intellectual property owned by third parties. For example, printing a report or journal article is a common use of third party intellectual property.

When using IP owned by third parties, agencies must comply with the law.

This Principle is particularly important when the State uses third-party copyright material. This is discussed in Chapter 10.3 below.

10.2 State breaches of third-party IP

The State must not infringe the IP rights of others. If an agency becomes aware of a breach to significant third-party IP\(^77\) it must be reported to the DTF IP team at IPpolicy@dtf.vic.gov.au.

This includes cases when the third-party decides not to formally enforce its rights against the State. The report should include:

- the nature and type of IP;
- details of the infringement;
- any action taken by a third-party to enforce its rights;
- any corrective action taken by the agency; and
- the outcome of any action taken by a third party.

DTF will keep a register of all breaches of significant third-party IP. The report will be used by DTF to monitor compliance with the IP Policy.

See Chapter 11: Compliance and reporting for more details.

---

\(^{77}\) More guidance on significant IP is provided in Chapter 1.8.
10.3 Copyright

10.3.1 Use of third party copyright material by the State

Under s 183 of the Copyright Act, the State may make use\(^{78}\) of third party copyright material without first obtaining permission from the copyright owner, and without infringing copyright, provided that:

- the use is for the services of the State; and
- the copyright owner (or a collecting society if one has been declared by the Commonwealth) is remunerated for the use (either before or after the use).

10.3.2 Authorisation for agencies not within the scope of s 183

Section 183 of the Copyright Act applies to ‘the State’. This includes the executive and all departments. It also includes all statutory bodies whose constituting statute provides that the body ‘represents the Crown’.

However, it is less clear whether a statutory body falls within the definition of the word ‘State’ under s 183 if the constituting statute of the body provides that it ‘does not represent the Crown’, or if it is silent on the issue. To ensure that such bodies gain the protection of s 183, they must receive a written authorisation from the General Counsel of DTF under s 183. It is important that authorisation is granted before an agency attempts to rely on s 183 by, for example, being involved in the agreements with collecting societies described in Chapter 10.3.3.3 below.

A statutory body may be provided with an authorisation where:

- it intends to rely on s 183(1) (usually, by being involved in an agreement with a collecting society; and
- there is some doubt as to whether it is the State for the purposes of s 183(1) (for example, where its constituting statute does not provide that it represents the Crown).

An authorisation provided to an agency will be for a three year term.

The authorisation will only apply to copyright acts done for the services of the State of Victoria. Any copyright acts done by an agency that are not for the services of the State – such as copying of a document by an officer for personal purposes – will not be covered by the authorisation and therefore will not fall within s 183 of the Copyright Act.

Any other entity apart from statutory bodies will only be provided with authorisation on a case by case basis having regard to the nature of the service that it provides to the State.

The Assistant Treasurer has instructed DTF to ensure that relevant agencies receive a written authorisation under s 183.

If an agency requires an authorisation, or is unsure of whether it falls within s 183, it should contact DTF at IPpolicy@dtf.vic.gov.au.

\(^{78}\) Making use of copyright material refers to reproducing it, emailing it, uploading it to the internet, publishing it and other acts of copyright set out in section 31 of the Copyright Act.
10.3.3 Payment for use of third party copyright material

10.3.3.1 Statutory exceptions

The Copyright Act includes exceptions to infringement of copyright for particular uses of copyright material, including:

- research or study;
- criticism or review;
- parody or satire;
- reporting news; and
- judicial proceedings or professional advice.

When an agency uses copyright material for one of these purposes, section 183 does not apply and payment need not be made. However, the question of whether one of these exceptions applies in practice is difficult to determine, and requires legal advice. If an agency does not have the benefit of legal advice to the effect that an exception applies, it should proceed on the basis that payment must be made in one of the ways described below.

10.3.3.2 Contractual arrangements

Where an agency has a contractual arrangement with an individual copyright owner providing terms for the use of that owner’s copyright material, it is entitled to make use of that material under the terms of the agreement. This also applies where there is an agreement in place with a publisher or subscription service or a voluntary agreement between the agency and a collection society, such as the ‘GovCopy’ licence offered by Copyright Agency.\(^ {79}\)

10.3.3.3 Copying of third party copyright material

If a collecting society has been declared by the Commonwealth under s 183A of the Copyright Act, the State need only remunerate a declared collecting society for making copies of copyright material, rather than contacting each copyright owner directly. DTF is responsible for negotiating the whole of Victorian Government agreements with the collecting societies for payment under s 183A.

The State is required to reach agreements with the following collecting societies:

- Copyright Agency Limited (CAL) – for copies of works (for example, newspaper articles, journal articles and books); and
- Screenrights – for copies of sound recordings, films and broadcasts.

All departments and many statutory bodies are involved in the agreements with the collecting societies. Prior to finalising the agreements, DTF will give each statutory body the option of being involved. Those bodies that are involved in the agreements may make copies of third party copyright material as long as those copies are for the services of the State. Payment under the agreements is calculated on a per-FTE per year basis at an agreed rate. Bodies will be notified of their liability each year.

There are, however, other uses of copyright material aside from copying that are not always captured by the agreements under s 183A, which must be paid for. They are discussed in the next subchapter.

\(^ {79}\) See

10.3.3.4 Uses of copyright requiring direct agreement with the owner

The agreements with the collecting societies under section 183A of the Copyright Act are only required to apply to the reproduction of material. This includes photocopying, printing, electronic saving (such as saving to an electronic document and records management system such as TRIM) and other similar uses. The agreements are not required to extend to other exclusive rights of copyright, being:

- publication;
- performance in public;
- communication (including emailing and uploading to a website);
- making an adaptation; and
- doing any of these acts to an adaptation of the work.\(^{80}\)

If an agency does (or wishes to do) any of these acts to a third party copyright work, and the agreement with the relevant collecting society does not include the act, the agency must notify and reach terms with the copyright owner for the doing of those acts, either before or after they are done. This will usually require payment to the copyright owner or collecting society.

Agencies should contact DTF with any queries at IPpolicy@dtf.vic.gov.au.

10.3.4 Copyright infringement

Copyright is infringed where a person uses copyright material owned by another without their licence, or where a person authorises another person to use material without licence.\(^{81}\)

Whether the State has authorised infringement depending on the circumstances of the case, including the extent of the State’s power to prevent infringement, the nature of the relationship between the State and the infringing person and whether the State took reasonable steps to prevent infringement.\(^{82}\)

For example, if an agency uploaded on its website a report in which copyright was owned by a third party, this may not constitute a breach of copyright because of section 183 of the Copyright Act (see discussion in Chapter 10.3.1 above). However, allowing website users to download and copy the report may be an authorisation of infringement.

In dealing with third party copyright material, agencies must ensure that they do not infringe copyright or authorise another party to infringe copyright in that material.

10.4 Patents

Under ss 163-165 of the Patents Act 1990 (Vic), the State may exploit a third party patent (including a patent for which the application is pending) without first obtaining permission from the patent owner, and without infringing the patent, provided that:

- the exploitation is for the services of the State; and
- the patentee is informed and remunerated for the use (either before or after the use is made).

\(^{80}\) Copyright Act, s 31(1).

\(^{81}\) Copyright Act 1968, section 36(1)

\(^{82}\) Copyright Act 1968, section 36(1A)
Unlike with copyright, there is no whole of Victorian government arrangement in place to pay for such uses of patents. Agencies are required to inform and remunerate on a case by case basis.

10.5 Designs

Under ss 96-98 of the Designs Act, the State may use a third party design (including a design for which the application is pending) without first obtaining permission from the design owner, and without infringing the design, provided that:

- the use is for the services of the State; and
- the design owner is informed and remunerated for the use (either before or after the use is made).

Unlike with copyright, there is no whole of Victorian government arrangement in place to pay for such uses of designs. Agencies are required to inform and remunerate on a case by case basis.

10.6 Other intellectual property

The State does not have a special statutory right to use other forms of IP. Accordingly, before making use of any other IP owned by a third party, the State must ensure that either:

- its use would not constitute a breach of that party’s exclusive rights over the IP; or
- it has reached agreement with the party on the terms of its use.

Agencies may seek further information from the DTF IP team at IPPolicy@dtf.vic.gov.au or legal advice.
11. Compliance and reporting

11.1 Compliance

The IP Policy and these Guidelines apply to the government of the State of Victoria, including all public bodies. It is mandatory for such agencies to comply with the IP Policy.

Management of IP involves legal, regulatory and contractual obligations, as well as government policy and agency objectives. IP obligations should be included as part of an agency’s Compliance Management Framework.

Compliance management aims to:

- minimise regulatory risk through the identification and management of an agency’s compliance obligations. This includes the allocation of resources and processes for the effective treatment of any identified gaps and risks;
- develop and foster a culture of compliance that involves:
  - proactive and accountable management of an agency’s IP compliance obligations; and
  - the allocation of responsibilities for compliance through established reporting lines with clearly defined roles and responsibilities; and
- raise the level of awareness of an agency’s IP obligations by providing relevant IP related training, education and guidance.

Agencies are expected to engage with DTF to ensure compliance with the IP Policy. If an agency requires guidance to assist with implementing the IP Policy, it should contact DTF at IPpolicy@dtf.vic.gov.au.

DTF will actively monitor compliance with the IP Policy and these Guidelines on an ongoing basis through direct engagement with agencies and the reporting obligations set out below.

11.2 Reporting obligations

From time to time, DTF may require agencies to report on compliance with the IP Policy. In doing so, DTF will specify the detail required. For example, the reporting requirement may be directed at particular aspects of the policy, or compliance in general. Where appropriate, an operational tool such as a reporting checklist may be provided to assist agencies with reporting.

Agencies must also report breaches of significant IP to DTF. This includes when an agency:

- becomes aware of a breach of the State’s IP; and
- becomes aware of a breach to third-party IP.

This includes cases where the breach is not formally pursued.

---

83 See discussion in Chapter 1.6.
84 More guidance on significant IP is provided in Chapter 1.8.
85 See Chapter 7.3.1.
86 See Chapter 10.2.
The report must include:

- the nature and type of IP;
- details of the infringement;
- any relevant action considered or taken by an agency or a third party; and
- the outcome of any relevant action.

DTF will keep a register of all breaches. The report will be used by DTF to monitor compliance with the IP Policy.

The Assistant Treasurer will be briefed on any significant issues arising from reporting. DTF may require additional information from an agency once a report is received.

Reports may be provided to IPpolicy@dtf.vic.gov.au.
12. Useful resources and reference material

12.1 IP Policy website

The IP Policy website contains information, updates and links relevant to the IP Policy:

12.2 Legislation

Complete copies of Acts relevant to the IP Policy are available online.
- Copyright Act 1968 (Cth)
- Circuit Layouts Act 1989 (Cth)
- Designs Act 2003 (Cth)
- Patents Act 1990 (Cth)
- Plant Breeder’s Rights Act 1994 (Cth)
- Trade Marks Act 1995 (Cth)

12.3 Policies

- Whole of Victorian Government Intellectual Property Policy
- DataVic Access Policy
- Cost Recovery Guidelines
- Victorian Government ICT Strategy
- Competitive Neutrality Policy
- Protective Security Policy Framework
12.4 Guides

  The Australian government, through the Attorney-General’s department, has released an IP manual to assist Australian Commonwealth government agencies with the implementation of their IP Policies.

12.5 Contacts

- **Department of Treasury and Finance**
  Government IP Policy
  1 Treasury Place
  Melbourne Victoria 3002
  Australia
  IPpolicy@dtf.vic.gov.au

- **IP Australia**
  IP Australia administers *Australia's* IP rights system, specifically patents, trade marks, designs and plant breeder’s rights.

- **Victorian Government Purchasing Board (VGPB)**
  Procurement

- **Public Record Office Victoria (PROV)**
  Records management and archives
  99 Shiel St, North Melbourne
  PO Box 2100, North Melbourne, VIC 3051
  03 9348 5600
  enquiries@prov.vic.gov.au
  www.prov.vic.gov.au

- **Department of Foreign Affairs and Trade**
  The Office of Trade Negotiations (OTN) is responsible for IP in trade negotiations. The Department coordinates Australia’s engagement with the World Trade Organisation.
  John McEwan Crescent
  Barton ACT 0221
  (02) 6261 2039
  ip@dfat.gov.au
12.6 Websites

More information on IP issues can be found on the following websites.

- **Advisory Council on Intellectual Property**
  http://www.acip.gov.au

- **Arts Law Centre of Australia**
  http://www.artslaw.com.au

- **Australasian Legal Information Institute (AustLII)**
  http://www.austlii.edu.au/

- **Australian Centre for Intellectual Property in Agriculture**
  http://www.acipa.edu.au

- **Australian Copyright Council**
  http://www.copyright.org.au

- **Creative Commons Australia**
  http://creativecommons.org.au/

- **Intellectual Property Research Institute of Australia**
  http://www.ipria.org

- **Law Institute of Victoria**
  http://www.liv.asn.au/

- **Professional Standards Board for Patent and Trade Marks Attorneys**

- **World Intellectual Property Organisation**
  http://www.wipo.int
Whole of Victorian Government Intellectual Property Policy

Intent and Principles

August 2012
Inquiries

For any inquiries about the Intellectual Property Guidelines for the Victorian Public Sector or this licence, please contact:

IPpolicy@dtf.vic.gov.au

Department of Treasury and Finance
1 Treasury Place
Melbourne Victoria 3002
Australia
IP Policy Background

The State of Victoria, including its departments and public bodies creates, acquires, funds and uses all forms of intellectual property.

The Intellectual Property Policy represents the State’s policy and management tools in relation to intellectual property and comprises three components:

- IP Policy Intent and Principles
- IP Policy Guidelines
- IP Policy operational tools

The IP Policy Intent is the policy’s overarching statement of purpose. The IP Principles reflect the IP Policy Intent. The IP Principles are to be read in connection with one another; they do not operate independently.

Intellectual property is a term used to describe the results of intellectual activity and creative effort. Intellectual property assets are intangible, and their economic value exists largely in the set of exclusive rights that an owner has in the asset.

Intellectual property may be protected through copyright, trade marks, patents, designs, circuit layouts and plant breeder’s rights.

Depending on the form of intellectual property, the rights can include:

- Reproduction
- Assignment
- Communication
- Adaptation
- Translation
- Authorised use or sale

Access to the State’s intellectual property can be enabled, controlled or determined through the exercise of these rights.
IP Policy Intent

The State grants rights to its intellectual property, as a public asset, in a manner that maximises its impact, value, accessibility and benefit consistent with the public interest.

The State acquires or uses third party intellectual property in a transparent and efficient way, while upholding the law and managing risk appropriately.
IP Policy Principles

Management of State owned intellectual property

1. The State manages its intellectual property in ways that are consistent, transparent and accountable.

2. The State grants rights to its intellectual property with the fewest possible restrictions.

3. The State may exercise its intellectual property rights restrictively for reasons of privacy, public safety, security and law enforcement, public health, commercialisation and compliance with the law.

4. The State owns intellectual property created by its employees in the course of their employment.

5. The State manages the moral rights of creators as required under the Copyright Act 1968 (Cth).

6. The State responds to breaches of its intellectual property rights where appropriate in order to maintain its reputation or the value of its intellectual property.

State commercialisation of intellectual property

7. The State is not in the business of commercialising intellectual property, and does not create intellectual property in order to generate a financial return.

8. An agency may commercialise, or apply the Cost Recovery Guidelines to, intellectual property if:
   
   a) it has an explicit statutory function to do so; or

   b) it has been explicitly authorised by the Treasurer to do so because of a clear net benefit to the Victorian community.

Procurement of goods and services

9. When State procurement may result in intellectual property being generated, the State:

   a) addresses in an agreement any rights to intellectual property (including pre-existing intellectual property) that may arise as a consequence of the procurement;

   b) secures a licence to the intellectual property, only to the extent necessary to achieve the purposes of the procurement; and

   c) only acquires ownership of the intellectual property if a licence is not adequate in the circumstances.
Funding and grants towards the development of intellectual property

10. When the State provides a grant or similar funding for an identified purpose or project, the State:

   a) addresses in an agreement any rights to intellectual property (including pre-existing intellectual property) that may arise as a consequence of the grant or funding;
   b) does not secure a licence to the intellectual property unless there is a stated purpose for doing so, and then only to the minimum extent necessary to achieve that purpose;
   c) if a licence would not be adequate in the circumstances, acquires ownership of the resulting intellectual property; and
   d) ensures that ownership of the intellectual property is able to be assigned to or by the State if the intellectual property is not used by the recipient for the purpose of the grant or funding within a reasonable time.

Use of intellectual property belonging to others

11. The State deals with third party intellectual property in a manner that:

   a) avoids infringing the intellectual property rights of others and complies with the law; and
   b) provides equitable remuneration to intellectual property owners (whether directly or through collecting societies) in a manner consistent with the responsible spending of public moneys.

Identification and recording of intellectual property

12. Agencies of the State identify and record intellectual property in their possession, where that intellectual property:

   a) involves statutory registration and renewal processes;
   b) is critical to a deliverable or core function of the agency; or
   c) requires active risk management.
Governance framework for this policy

The IP Policy Intent and Principles apply to all agencies (that is, all departments and public bodies) of the State. They are supported by the IP Policy Guidelines and IP Policy operational tools, as managed and updated by the Minister administering the IP Policy through the Department of Treasury and Finance.

Subject to the IP Policy Intent and Principles, in relation to the State’s intellectual property, a departmental Secretary or an agency head has responsibility (which may be delegated) for applying this policy to intellectual property managed by the agency.

Negotiations concerning the State’s exercise of copyright acts in relation to third-party copyright works under s 183 of the Copyright Act 1968 (Cth) are the responsibility of the Department of Treasury and Finance. 87

87 This policy replaces the Guidelines Relating to Victorian Crown Copyright (August 1991).
Attachment 2. Creative Commons flowchart

Will Agency licence material freely for re-use?
The IP Policy requires agencies to make IP available under flexible licences. In most cases, the answer to this question should be yes.

No

Agency should use a copyright notice specifying process for permission and/or apply a restrictive copyright licence. However, this is not usually consistent with the IP Policy.

Is it acceptable for users to change material or remix?
Agencies may wish to impose restrictions on changing or remixing where this is consistent with IP Policy.

No

Should new content or remixes developed by users be made available to others on the same Creative Commons licence applied by the agency?
In limited circumstances, an agency may require users of material to licence new content or remixes developed by them on the same terms of the agency’s original licence. This would need to be assessed on a case by case basis to ensure compliance with the IP Policy.

No

Should users of material be able to commercially exploit new content as remixes developed by them?
In most cases, commercial exploitation of new content should be allowed consistent with the IP Policy. Restriction on commercial use may be appropriate where there has been commercialisation.

No

Take legal advice as whether a restrictive copyright licence should be used or if it is appropriate to apply the Attribution-NonCommercial-No Derivative licence 3.0 CC BY-NC-ND Aus 3.0

Yes

Apply Attribution-No Derivative Works licence 3.0 CC BY-ND Aus 3.0

Yes

Should users of material be able to commercially exploit new content as remixes developed by them?
In most cases, commercial exploitation of new content should be allowed consistent with the IP Policy. Restriction on commercial use may be appropriate where there has been commercialisation.

No

Take legal advice as whether a restrictive copyright licence should be used or if it is appropriate to apply the Attribution-NonCommercial licence 3.0 CC BY-NC Aus 3.0

Yes

Apply Attribution-licence 3.0 CC BY Aus 3.0 This is the recommended licence in most cases.

No

Take legal advice as whether a restrictive copyright licence should be used or if it is appropriate to apply the Attribution-NonCommercial-ShareAlike licence 3.0 CC BY-NC-SA Aus 3.0

Yes

Apply Attribution-ShareAlike licence 3.0 CC BY-SA Aus 3.0

The path highlighted in grey is the default CC licensing solution under the IP Policy.

Based on ‘Which Creative Commons Licence is Right for Me?’ by Creative Commons Australia, CC BY Aus 3.0 available at http://creativecommons.org.au/content/licensing-flowchart.pdf
Attachment 3. Commercialisation approval checklist

If an agency intends to commercialise or apply cost recovery to IP without an explicit statutory function to do so, it requires explicit authorisation from the Assistant Treasurer\(^{88}\) under Principle 8(b) of the IP Policy. These requirements are discussed in Chapter 6 of the Guidelines.

A request for authorisation for commercialisation may include the following checklist, completed by the agency.\(^{89}\) All of the relevant information identified in the checklist must be included in the letter. Check ‘Yes’ if the relevant information has been included.

<table>
<thead>
<tr>
<th>Information</th>
<th>Yes</th>
<th>No/ NA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The IP</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is the IP and/or product?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the agency own the IP?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Were third parties involved in the development of the IP?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are there any IP applications in process?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What was the cost of developing the IP?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are there existing commercial arrangements in relation to the IP? If so, what is the nature and term of those arrangements?</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Commercialisation(^{90})</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is the agency’s purpose for commercialisation?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Will commercialisation address a market failure?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is the commercialisation associated with a statutory function?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is commercialisation, cost recovery or a combination proposed?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^{88}\) The IP Policy refers to the Treasurer in this Principle, but in practice the Assistant Treasurer is responsible for authorisation requests under Principle 8(b).

\(^{89}\) Note that Chapter 6 sets out the process for seeking commercialisation authorisation in greater detail. The authorisation request must be provided by a departmental secretary or agency head to the Secretary of DTF.

\(^{90}\) Commercialisation here refers to both commercialisation and cost recovery. For example, if authorisation is sought for cost recovery, the first question should be read as ‘What is the agency’s purpose for cost recovery?’
<table>
<thead>
<tr>
<th>Information</th>
<th>Yes</th>
<th>No/ NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>What form of commercialisation is proposed? For example, is it a single</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>sale/licence to one entity, licensing multiple entities to on-sell or</td>
<td></td>
<td></td>
</tr>
<tr>
<td>undertaking retail sale?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is the proposed term of commercialisation? Is it ongoing or is there</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>an end date?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What are the practical considerations impacting on commercialisation? For</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>example, is there internal capacity to undertake the work required?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is the estimated cost to the State of commercialisation (prior to any</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>return)?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is the expected return from commercialisation? Are the proceeds</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>proposed to flow to the agency or consolidated revenue? Are there any</td>
<td></td>
<td></td>
</tr>
<tr>
<td>significant budgetary impacts if the IP is not commercialised?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What risks are associated with commercialising and with not</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>commercialising?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are there any similar products or services available from the private</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>sector?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is the anticipated impact on the community?</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>What are the alternative options for granting rights to the IP? To what</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>extent would these options achieve the agency’s purpose for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>commercialisation?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are all relevant supporting documents attached?</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Is there any other relevant information?</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
Attachment 4. Moral rights consent form template

The following moral rights consent form template is provided for use by agencies in circumstances where seeking such a consent is appropriate. See discussion in Chapter 9.5 for further detail.

The template should not be used without legal advice unless the agency has an existing practice of doing so.

Note that the template applies to departmental employees. Statutory bodies must seek legal advice on applying the form to their employees.

MORAL RIGHTS CONSENT
IN FAVOUR OF THE STATE OF VICTORIA

Deed Poll made at ........................................ on ................................ 20…..

By: ............................................................... of [insert address] (Author)

In favour of: The State of Victoria (State)

Recitals:
A. The Author is an employee of the State pursuant to the Victorian Public Service Workplace Determination 2012 / Executive Contract of Employment] dated [x] (Contract).
B. In the course of the Author’s employment pursuant to the Contract, the Author has created or may create material in which copyright subsists for the purposes of the Copyright Act 1968 (Cth) (as amended).

This deed poll provides:

1. Definitions and Interpretation
   a. Definitions
      In this Deed:
      i. Material means anything created by the Author in the course of their employment in which copyright subsists pursuant to the Copyright Act 1968 (Cth), whether created before or after the date of this Deed; and
      ii. Moral Rights has the meaning given to that term in the Copyright Act 1968 (Cth).
   b. Construction
      Unless expressed to the contrary:
      i. words importing:
         1. the singular includes the plural and the plural includes the singular;
         2. any gender includes the other gender;
      ii. if a word or phrase is defined cognate words and phrases have corresponding definitions;
      iii. a reference to the State includes its assigns.

2. The Author:
a. warrants that he or she will not sue, enforce any claim, bring any action or exercise any remedy in respect of any breach or alleged breach of the Author’s Moral Rights by:
   i. the State; or
   ii. any third party to whom the State sub-licences any copyright that the State has in, or in relation to, any Material;

b. without limiting paragraph (a), consents to the State or any third party referred to in 2(a)(ii):
   i. failing to acknowledge or attribute the Author’s authorship of any Material;
   ii. falsely attributing authorship of any Material; and
   iii. making any modification, variation or amendment of any nature whatsoever to the Material, whether or not:
      1. it results in a material distortion of or destruction or mutilation of the Material; or
      2. it is prejudicial to the honour or reputation of the Author; and

c. without limiting paragraph (a) or (b), consents to the State or any third party referred to in 2(a)(ii):
   i. using any Material other than for the purpose for which it was intended at the time the Material was created;
   ii. altering any Material by adding to, removing elements from, or rearranging elements of, the Material, including (without limitation) by combing elements of the Material with any other material; or
   iii. changing, relocating, demolishing or destroying any building, any artistic work affixed to or forming part of a building or other Material, whether or not such building, artistic work or Material incorporate, are based on or are constructed in accordance with, any Material.

3. The Author confirms that in executing this Deed the Author did not act in reliance on any representation made by any person as to the future use of the Material or any other matter.

4. The Author agrees that this consent survives the termination of the Author’s employment by the State.

5. A term or part of a term of this Deed that is unenforceable may be severed from this Deed and the remaining terms or parts of terms of this Deed will continue to have full force and effect.

Executed as a deed poll.

SIGNED

by ........................................... )
this ............... day of ............ 20....... ) ...........................................
           ) (signature)

in the presence of: )
                      ) ...........................................
(name of witness) ) (signature of witness)
                      ) ...........................................
(address of witness) )
What is intellectual property?

IP is the result of intellectual activity and creations in science and industry, literary products and artistic fields.

In order to foster innovation, the law provides creators with certain exclusive rights over their creations.

The legislative framework for IP is the responsibility of the Commonwealth.

Copyright

Copyright protects the original expression of ideas. It is free and automatically safeguards original works of art and literature, music, films, sound recording, broadcasts and computer programs from copying and certain other uses, for a defined period of time.\(^{91}\) No registration is required for copyright protection.

Copyright material includes email, written reports, software, letters, internet content, photographs and databases. Most State employees will use copyright material on a daily basis.

Under the Copyright Act 1968 (Cth) (Copyright Act), the owner of copyright has exclusive rights to reproduce the work, perform it in public, broadcast it, publish it and make an adaptation of it, or to licence another party to do so. The owner’s specific rights vary according to the nature of the work. For example, the exclusive rights associated with an artistic work such as a photograph differ slightly from the rights associated with literary works.\(^{92}\)

The exclusive rights are limited by time, which varies according to the nature of the work. For example, literary works owned by the State are protected for 50 years from first publication, while photographic works owned by the State vary in the term of protection according to when they were made.\(^{93}\) The rights are also subject to defences and exceptions, which allow other parties to make use of the work without licence in particular circumstances.

\(^{91}\) The duration of copyright protection depends on the type of material involved. It is usually at least 50 years from the date the work is made. For more information see the Australian Copyright Council’s information sheet G023v16 Duration of Copyright, available from its website [www.copyright.org.au/find-an-answer/](http://www.copyright.org.au/find-an-answer/)

\(^{92}\) See section 31 of the Copyright Act.

\(^{93}\) See section 180 of the Copyright Act.
Accordingly, addressing questions of ownership is important when creating and using copyright material.

The copyright laws of Australia comprise two distinct groups of rights: economic rights (discussed below) and moral rights.

Under s 31(1) of the Copyright Act, the owner of copyright in a literary, dramatic, musical or artistic work has the exclusive right to:

a) reproduce the work in a material form;
b) publish the work;
c) perform the work in public;
d) communicate the work to the public; and
e) make an adaptation of the work.

There are two ways in which the State may hold copyright, apart from the general provisions of the Copyright Act:

- **Crown prerogative copyright**, which exists for legislation and possibly other judicial materials.\(^{94}\) This provides copyright protection indefinitely.
- **Crown copyright** under ss 176 and 178 of the Copyright Act, which provides that the State owns copyright in original works and other materials made by or under the direction or control of the State\(^ {95}\), although these provisions may be varied by agreement. This subsists for 50 years from the date of publication of the material.

Where a person (including the State) exercises one of the exclusive rights of a copyright holder without their licence, they may infringe the Copyright Act. This may result in an award of damages against the infringing person.

However, the State of Victoria, in its right as the Crown, is subject to a special statutory licensing scheme to perform acts comprised in third parties’ copyright if the acts are for the services of the State. This is discussed further in Chapter 11.

**Trade marks**

A trade mark is a sign used, or intended to be used, to distinguish the goods or services of one trader from those of another (Trade Marks Act 1995 (Cth), s 17). A trade mark can be a word, name, number, aspect of packaging, shape, colour, sound or scent, or any combination of these. Trade marks may be registered or unregistered.

The owner of a registered trade mark has exclusive rights which include the exclusive right to use the trade mark in relation to the goods or services for which it is registered. A registered trade mark is personal property.

The user of an unregistered trade mark does not have a property right, but may still defend the use of the mark through an action in passing off or under the Competition and Consumer Act 2010 (Cth)\(^ {96}\).

---

\(^{94}\) Section 8A of the Copyright Act preserves these prerogative rights. There is some debate as to whether these also apply to Court judgments.

\(^{95}\) Under s 177, the State also owns copyright in original works first published in Australia if first published by or under the direction or control of the State. However this does not apply to works in which copyright would otherwise be owned by a third party, where publication is unauthorised; see ss 29(6) and (7) of the Copyright Act.

\(^{96}\) Formerly the Trade Practices Act 1974 (Cth).
A trade mark does not have to be registered. There is protection against misrepresentation under trade practices and fair trading legislation. However, it is considered good practice to register trade marks to avoid costly and time consuming litigation if the need to enforce an agency’s rights to a trade mark arises.

There is no requirement under the *Trade Marks Act* to identify a trade mark with a ™ or ® symbol, although it is good practice as it allows users of the works to understand their rights and obligations in the use of the mark. Using a trade mark symbol can also act as a deterrent to potential infringers.

IP Australia is the Australian Government agency responsible for granting rights in trade marks. More information on trade marks and their registration process can be found on IP Australia’s website at http://www.ipaustralia.gov.au/get-the-right-ip/trade-marks/

**Patents**

A patent is a right that is granted on registration for any device, substance, method or process that is new, inventive, and useful.

A patent is legally enforceable and gives the owner the exclusive right to exploit the invention commercially for the life of the patent (a fixed term of 20 years in the case of standard patents and eight years in the case of innovation patents). The grant of patent rights depends on registration of the invention.

There are various hurdles to registering a patent. The invention must be a manner of manufacture, be new, involve an 'inventive' or 'innovative' step, be useful, and not have been used in trade or commerce. Because of these requirements, gaining a patent is usually complex, time consuming and expensive. It is highly recommended that a person seeking a patent seek the advice of a patent attorney.

Only the inventor (or a person assigned the right by the inventor) may patent an invention.

The Patents Act allows the State, or an authority of the State, to exploit a third party owned patent where this is 'for the services of the State'. Patent holders are entitled to payment for this use.97

IP Australia provides the following advice on the process for registering when considering registering a patent:

1. **Search** patent databases, sales brochures and magazines to ensure your invention meets the criteria for a patent. If your invention was publicly known before you apply for a patent, you won’t be able to get a valid patent.

2. **Decide which type of patent** best suits your invention. You may wish to file a provisional application first; then decide between filing a standard, innovation or PCT patent application.

3. **Once it is filed, your application is checked and published.** Please note that fees are payable at different stages of the patent process. An innovation patent is checked to ensure it satisfies the formality requirements, then granted and published in the official journal. A standard patent is normally published in the official journal before examination.

4. **Examination** is mandatory before a standard patent can be granted and must be requested by the applicant. An innovation patent will be examined if examination is requested but this is not a requirement for an innovation patent to be granted. Examination of an innovation patent can only happen after it is granted. For either an

---

97 See ss 163 to 165 Patents Act.
innovation or standard patent to be enforceable, it must have been examined. Examination can also be expedited for standard patents, or expedited under the Patent Prosecution Highway (PPH).

5. **Acceptance and grant** of an innovation patent occurs if it has satisfied the formality requirements. It is then published as such in the official journal. A standard patent application is accepted once it has been examined and is then published. The standard patent is then granted if it is not opposed.

6. **Pay annual fees** to maintain your patent. Innovation patents can be renewed for up to eight years and standard patents can be renewed for up to 20 years (up to 25 years for pharmaceuticals).

IP Australia is the Australian Government agency responsible for granting rights in patents. More information on patents and their registration process can be found on IP Australia’s website:


**Designs**

The *Designs Act 2003* (Cth) (*Designs Act*) confers property rights on the registered owner of a design. A design refers to the overall appearance of a product resulting from one or more of the shape, configuration, pattern and ornamentation of the product which, when applied to a product, gives the product a unique appearance (*Designs Act*, ss 5-7).

The exclusive rights of the owner of a registered design include the right to make a product which embodies the design, to deal in that product and to use the product in any way for the purposes of a trade or business.

The *Designs Act* allows the State, or a person authorised by the State, to use a third party owned design for the services of the State. Owners of designs are entitled to be informed of and remunerated for this use.

IP Australia is the Australian Government agency responsible for granting rights in designs. More information on designs and their registration process can be found on IP Australia’s website:


**Plant breeder’s rights**

Plant breeder’s rights are used to protect new varieties of plants by giving exclusive commercial rights to market a new variety or its reproductive material (*Plant Breeder’s Rights Act 1994* (Cth)). Registration of these rights is required. To be eligible for registration, the plant variety must be distinct, uniform and stable.

They are personal property.

Plant breeder’s rights are legally enforceable and give the breeder the exclusive right to commercially exploit a plant variety for 20 years (25 years for trees and vines).

---


99 See ss 96 to 98 Designs Act.

100 Section 43 Plant *Breeder’s Rights Act 1994* (Cth)
IP Australia is the Australian Government agency responsible for granting plant breeder’s rights. More information on plant breeder’s rights and their registration process can be found on IP Australia’s website:

Circuit layouts

Circuit layout rights automatically give ownership in original layout designs for integrated circuits and computer chips to the person who makes an integrated circuit layout. (Circuit Layouts Act 1989 (Cth)). These rights are personal property. No registration is required.

The exclusive rights of the owner of an eligible layout include the right to copy the layout, make an integrated circuit in accordance with the layout, and exploit it commercially.

As the owner of an original circuit layout, you have the exclusive right to:

- copy the layout in a material form;
- make integrated circuits from the layout; and
- exploit it commercially in Australia.

Commercial exploitation may occur by importation, sale, hire or distribution of a layout or an integrated circuit made according to the layout. This is likely to require approval from the Assistant Treasurer under the commercialisation principle, discussed in Chapter 6 above.

For more information on circuit layouts rights see IP Australia,

Other forms of information

In addition, the following categories of information are conventionally considered in the context of IP, although they do not represent property in a legal sense.

Confidential information

The law protects a person who has secret information against a person seeking to misuse the information, but the rights protected are the obligations arising from a relationship of confidence, rather than the information itself.

The obligations of confidence may arise under contract or common law. A common form of confidential information is trade secrets, although any sort of information that has not been disclosed can be subject to an obligation of confidence.

Confidential information may be protected by written agreement. Such an agreement will typically define the specific information that is considered confidential, will set out the rights and obligations of the parties with respect to the information’s disclosure and use and provide a degree of certainty.

---

Indigenous cultural property and traditional knowledge

The term ‘traditional knowledge’ is generally used to refer to ‘tradition-based’ IP. While some traditional knowledge may come within the recognised categories of IP, other forms of traditional knowledge are not IP, and the law relating to IP is not always appropriately matched to traditional knowledge.

Domain names

A domain name is an internet address (e.g. www.dtf.vic.gov.au) that corresponds to the alpha numeric internet protocol address which computers read. Once registered, a domain name is internationally valid and cannot be used by someone else. However, domain names are not as such technically IP.

A domain name can include a trade mark. A person seeking to register a domain name may infringe a third party’s trademark, or may be prevented from doing so if registration involves passing off.