

## **1. IP Protection and Ownership**

Lunch is for Wimps Inc., a large US software development company, has commissioned a programme of research at the University of Edinburgh.

In essence, the arrangement between the University and the company involves the company paying the University \$2,000,000 over the course of three (3) years to fund a research programme to further develop a software-dependent prototype voice synthesis product called "Soundalikee".

Soundalikee was created as part of a research project that the University carried out previously and which was part funded by a UK competitor of Lunch is for Wimps, namely Show me the Money Limited. Show me the Money Limited have since confirmed that they are not interested in funding more research in this area.

The University has entered into a research contract with Lunch is for Wimps Inc to govern the arrangement. As part of this contractual arrangement the University is obliged to provide the company with specified deliverables, including:

- a. new computer code implementing a more commercially viable version of "Soundalikee";
- b. a user manual and supporting documentation for "Soundalikee";
- c. a searchable compilation of voices used within "Soundalikee".

The project will be led by the University's Prof. Cicero who is understandably excited about the prospect of securing such long-term and significant research funding. He realises that there is a lot to be done within the agreed budget for the project, but he knows that he will be able to reduce costs by using post-graduate students to carry out some of the coding work. This should enable him to create a surplus for use in some of his more academically focused research.

- i. Taking account of, amongst other things, the nature of the anticipated deliverables, what intellectual property rights are likely to arise from the research project?
- ii. Who will own the intellectual property rights arising out of the sponsored research project?
- iii. What, if any, complications arise from, respectively, the prior involvement of Show me the Money Limited, and the proposed involvement of University students in the research? Is there anything the University should be doing to address these complications?

## 2. Open source software

The research programme sponsored by Lunch is for Wimps Inc. is progressing well. In order to expedite some of the software development work, Prof. Cicero decides to utilise some commonly used open source software modules called "Gorillaz" that are available to be licensed under the terms of the Berkley Software Distribution open source licence agreement.

Components of Gorillaz will be included in the final version of the code delivered to Lunch is for Wimps Inc. and may be comprised in the final application that is to be sold on the commercial market by Lunch is for Wimps Inc.

In addition, and unbeknownst to Prof. Cicero, one of the post-graduate students working on the project, Jillian Radical, is also using open source software to complete the part of the project that she is responsible for. She is using a piece of code known as "Castro" as a tool in her development work. This code will not be comprised within the software that she will deliver to Prof. Cicero.

She has also downloaded a copy of some code called "Chavez" that she will use in her work. Components of Chavez will be adapted and included, in their modified form, in the software module that she is writing.

All of this open source code is licensed under the General Public Licence (GPL).

- i. Prof. Cicero tells Lunch is for Wimps about the open source software that he (not Jillian) has used in the research project. They are concerned. Can Prof. Cicero reassure them that this will not have commercial implications for them?
- ii. Lunch is for Wimps Inc. are pleased with the research carried out by Prof Cicero and his research team and have established through market research that they wish to make a commercial version of Soundalikee available for licence. They are particularly pleased with the functionality of the code developed by Jillian Radical. Does the use of open source code by Jillian Radical impact on their plans? Would the answer to this question be different for Castro than for Chavez, and if so why?
- iii. What practical steps could Prof. Cicero have taken to manage effectively any use of open source software in the research programme?

### 3. Patenting software

The research programme has come to a successful conclusion and as part of the final report and project wrap-up meeting Lunch is for Wimps Inc.'s Intellectual Assets manager suggests that a patentability report should be commissioned from a firm of patent agents to ascertain whether or not the commercial version of Soundalikee could be protected by patents.

Lunch is for Wimps Inc. instructs their usual firm of US patent attorneys, Washington, Bush and Clinton LLC, to produce such a report with a view to filing patent applications in the US, Europe, Japan and Australia.

The report produced by Washington, Bush and Clinton focuses on the position as regards prior art and patent law in the US and is favourable. Washington, Bush and Clinton recommend filing an initial application in the US, with additional territories elsewhere in the world being pursued through a PCT application.

- i. The code in Soundalikee is already protected by copyright. Why are Lunch is for Wimps Inc. going to the time and expense of considering the patentability of the technology?
- ii. The application is filed in the US and following several adjustments receives confirmation from the US patent office that it satisfies the criteria of patentability. Lunch is for Wimps Inc. instructs Washington, Bush and Clinton to proceed with applications in Europe, Japan and Australia. Can you identify any objections that may be raised by local patent offices in any of these areas with regard to the proposed applications, given the nature of the "invention"? What would have to be shown to overcome such objections?
- iii. The research carried out by Washington, Bush and Clinton failed to pick up that: (a) Show me the Money Limited previously marketed a product with similar, but much more basic, functionality to that demonstrated by Soundalikee; (b) Prof. Cicero presented some of the results of the research at a conference in Seattle the previous year. The presentation was very well received by the 1,000 delegates and was widely reported in scientific press.

Show me the Money are no longer interested in this market and Prof. Cicero was very pleased with the reception his presentation received. Surely then, Lunch is for Wimps Inc. have no cause for concern regarding these omissions by Washington, Bush and Clinton. Is this correct? If not, why not?