

AMERICA



Treaty Series No. 89 (1996)

Exchange of Notes

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the United States of America

concerning the Agreement on the Annex on
Intellectual Property Rights of 29 November 1995

(Washington, 29 November 1995)

[The Agreement entered into force on 29 November 1995]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
October 1996*

LONDON : The Stationery Office
£2.00

**EXCHANGE OF NOTES
BETWEEN THE GOVERNMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA
CONCERNING THE AGREEMENT ON THE ANNEX ON
INTELLECTUAL PROPERTY RIGHTS OF 29 NOVEMBER 1995**

No. 1

*The Department of State of the United States of America to the
British Embassy at Washington*

*Washington
29 November 1995*

The Department of State refers the British Embassy to the attached Annex on Intellectual Property Rights initialled November 29, 1995, by representatives of the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland. The Department of State proposes that whenever scientific and technical agencies of our governments enter into cooperative agreements/arrangements, they will make best efforts to include the aforesaid Annex by specific reference within those agreements/arrangements unless the agencies concerned specifically agree otherwise.

If the foregoing proposal is acceptable to the Government of the United Kingdom of Great Britain and Northern Ireland, the Department of State further proposes that this note and the note in reply from the British Embassy shall constitute an Agreement between the two governments, which shall enter into force on the date of the British Embassy note in reply.

ANNEX I—INTELLECTUAL PROPERTY

Preamble

The Parties shall ensure adequate and effective protection of intellectual property created or furnished under this agreement/arrangement and relevant implementing arrangements. The Parties shall ensure that the relevant entities participating in activities under this agreement/arrangement (hereinafter “cooperating entities”) which may include the Parties themselves, agree to notify one another in a timely fashion of any inventions or copyrighted works arising under this agreement/arrangement and to seek protection for such intellectual property in a timely fashion. Rights to such intellectual property shall be allocated as provided in this annex.

Section I—Scope

A. This annex is applicable to all cooperative activities undertaken by the cooperating entities pursuant to this agreement/arrangement, except as otherwise specifically agreed by the cooperating entities.

B. For purposes of this agreement, “intellectual property” shall have the meaning found in Article 2 of the Convention Establishing the World Intellectual Property Organisation, done at Stockholm July 14, 1967¹.

C. This annex addresses the allocation of rights, interests, and royalties between the cooperating entities. Each cooperating entity shall ensure that the other cooperating entity can obtain the rights to intellectual property allocated in accordance with this annex. Subject to this, the allocation between a Party and its cooperating entities, which shall be determined by the Party’s practices and national laws, shall not be altered or prejudiced by application of this annex.

D. Disputes concerning intellectual property arising under this agreement/arrangement should be resolved through discussions between the relevant cooperating entities or, if necessary, the Parties. Upon mutual agreement of the Parties, a dispute shall be submitted

¹Treaty Series No. 52 (1970) Cmnd. 4408.

to an arbitral tribunal for binding arbitration in accordance with the applicable rules of international law. Unless the Parties or their designees agree otherwise in writing, the arbitration rules of UNCITRAL shall govern.

E. Termination or expiration of this agreement/arrangement shall not affect the rights or obligations created by this annex.

Section II—Allocation of Rights

A. Each cooperating entity, subject to the restrictions of Section III of this annex, shall be entitled to a nonexclusive, irrevocable, royalty-free right in all countries to translate, reproduce, and publicly distribute scientific and technical journal articles, reports and books containing non-proprietary information directly arising from cooperation under this agreement/arrangement. All publicly-distributed copies of a copyrighted work prepared under this provision shall indicate the names of the authors of the work unless an author explicitly declines to be named. Each cooperating entity shall have the right to review a translation prior to public distribution.

B. Rights to all forms of intellectual property, other than those rights described in Section II.A above, shall be allocated as follows:

1. Visiting researchers not involved in joint research which is subject to a technology management plan made pursuant to paragraph II-B-2 below, such as scientists visiting primarily in the furtherance of their education, shall receive rights to any intellectual property resulting from their visit and work under the policies of the host institution. In addition, each visiting researcher named as an inventor shall be entitled to treatment as a national of the host country with regard to awards, bonuses, benefits, or any other rewards.

2(a) For intellectual property created during joint research, the cooperating entities shall jointly develop a technology management plan. The technology management plan shall consider the relative contributions of the cooperating entities, the benefits of licensing by territory or for fields of use, requirements imposed by the Parties' domestic laws, and other factors deemed appropriate. The initial research cooperation arrangement may include the technology management plan for that specific cooperation. The technology management plan shall address at least the following issues:

- (i) ownership of any intellectual property created during the joint research;
- (ii) the scope of any licenses to use the intellectual property;
- (iii) allocation of responsibilities for protecting and enforcing rights in the intellectual property;
- (iv) arrangements for commercializing the intellectual property, including rights to revenues derived therefrom.

2(b) If the cooperating entities cannot reach agreement on a joint technology management plan within a reasonable time not to exceed six months from the time a cooperating entity become aware of the creation of the intellectual property in question, the Parties shall resolve the matter in accordance with the provisions of paragraph I.D. Pending resolution of the matter, such intellectual property shall be owned jointly by the cooperating entities, but shall be commercially exploited (including product development) only by mutual agreement.

2(c) A specific programme of research will be regarded as joint research for purposes of allocating rights to intellectual property only when it is designated as such in writing by the cooperating entities; otherwise, the allocation of rights to intellectual property will be in accordance with paragraph II.B.I.

2(d) In the event that a Party believes that a particular joint research project under this agreement/arrangement will lead, or has led, to the creation or furnishing of intellectual property of a type not protected by the applicable laws of one of the Parties, the Parties shall immediately hold discussions to determine the allocation of the rights to the said intellectual property; the joint activities in question will be suspended during the discussions, unless otherwise agreed by the Parties. If no agreement can be reached within a three month period from the date of the request for discussions, the cooperating entities shall cease their

cooperation in the project in question. Notwithstanding paragraphs II.B.2.a and II.B.2.b, rights to any intellectual property which has been created will be resolved between the Parties in accordance with the provisions of paragraph I.D.

Section III—Business Confidential Information

In the event that information identified in a timely fashion as business-confidential is furnished or created under this agreement/arrangement, each cooperating entity shall protect such information in accordance with applicable laws, regulations, and administrative practice. Information may be identified as business-confidential information if a person having the information may derive an economic benefit from it or may obtain a competitive advantage over those who do not have it; the information is not generally known or publicly available from other sources; and the owner has not previously made the information available without imposing in a timely manner an obligation to keep it confidential. Without prior written consent, the receiving cooperating entity may not disclose any business-confidential information provided to it by another cooperating entity except to appropriate employees and government personnel. If expressly agreed between the cooperating entities, business-confidential information may be disclosed by the receiving cooperating entity to prime and sub-contractors. Such disclosures shall be for use only within the scope of their contracts with their cooperating entities relating to cooperation under this agreement/arrangement. The cooperating entities shall impose, or shall have imposed, an obligation on those receiving such information to keep it confidential. If one of the cooperating entities becomes aware that, under the laws or regulations applicable to it, it will be, or may reasonably be expected to become, unable to meet the non-disclosure provisions, it shall immediately inform the other cooperating entity. The cooperating entities shall thereafter agree on an appropriate course of action.

No. 2

The British Embassy at Washington to the Department of State of the United States of America

Washington

29 November 1995

NOTE NO. 114

The Embassy of the United Kingdom of Great Britain and Northern Ireland ("the Embassy") presents its compliments to the Department of State of the Government of the United States of America ("the Department") and has the honour to acknowledge receipt of the Department's Note of 29 November 1995.

[As in No. 1]

The Embassy further wishes to inform the Department that it accepts the proposals in the aforementioned Note concerning the Annex on Intellectual Property Rights, and specifically that whenever scientific and technical agencies of the Governments of the United States and the United Kingdom enter into cooperative agreements/arrangements, they will make best efforts to include the aforesaid Annex by specific reference within those agreements/arrangements unless the agencies concerned specifically agree otherwise.

The Embassy has the honour to acknowledge that the Department's Note and the Embassy's reply contained in this Note, shall constitute an Agreement between the two Governments, which shall enter into force on the date of the Embassy's Note.

Published by The Stationery Office Limited
and available from:

The Publications Centre

(Mail, telephone and fax orders only)
PO Box 276, London SW8 5DT
General enquiries 0171 873 0011
Telephone orders 0171 873 9090
Fax orders 0171 873 8200

The Stationery Office Bookshops

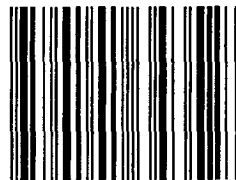
49 High Holborn, London WC1V 6HB
(counter service and fax orders only)
Fax 0171 831 1326
68-69 Bull Street, Birmingham B4 6AD
0121 236 9696 Fax 0121 236 9699
33 Wine Street, Bristol BS1 2BQ
01179 264306 Fax 01179 294515
9-21 Princess Street, Manchester M60 8AS
0161 834 7201 Fax 0161 833 0634
16 Arthur Street, Belfast BT1 4GD
0123 223 8451 Fax 0123 223 5401
The Stationery Office Oriel Bookshop
The Friary, Cardiff CF1 4AA
01222 395548 Fax 01222 384347
71 Lothian Road, Edinburgh EH3 9AZ
(counter service only)

In addition customers in Scotland may mail,
telephone or fax their orders to:
Scottish Publication Sales,
South Gyle Crescent, Edinburgh EH12 9EB
0131 479 3141 Fax 0131 479 3142

Accredited Agents
(see Yellow Pages)

and through good booksellers

ISBN 0-10-134352-



9 780101 343527