#### **Contents**

## **Chapter 1 Ownership of Technology**

- 1.1 Introduction to Intellectual Property
- 1.2 Ownership Attributes of Intellectual Property
  - 1.2.1 Copyrights
    - 1.2.1.1 General
    - 1.2.1.2 Requirements for Copyright
      - 1.2.1.2.1 Originality
      - 1.2.1.2.2 Authorship
      - 1.2.1.2.3 Fixation
      - 1.2.1.2.4 Categories of Works
        - 1.2.1.2.4.1 Works for Hire
        - 1.2.1.2.4.2 Collective Works
        - 1.2.1.2.4.3 Derivative Works
        - 1.2.1.2.4.4 Joint Works
        - 1.2.1.2.4.5 Compilations
    - 1.2.1.3 Exclusive Rights of the Copyright Owner
    - 1.2.1.4 Formalities and Benefits of Federal Registration of Copyright
    - 1.2.1.5 Transfers and Assignments of Copyrights
    - 1.2.1.6 International Protection
  - 1.2.2 Trademarks, Trade Dress and Trade Names
    - 1.2.2.1 Eligibility for Trademark Protection
      - 1.2.2.1.1 Distinctiveness
      - 1.2.2.1.2 Types of Marks
    - 1.2.2.2 Protection of Marks
      - 1.2.2.2.1 Infringement
      - 1.2.2.2.2 Unfair Competition
      - 1.2.2.2.3 Loss of Proprietary Rights to Trademarks
    - 1.2.2.3 Formalities and Benefits of Registration
  - 1.2.3 Patents
    - 1.2.3.1 General
    - 1.2.3.2 Requirements for Patent
      - 1.2.3.2.1 Subject Matter
      - 1.2.3.2.2 Novelty
      - 1.2.3.2.3 Utility
      - 1.2.3.2.4 Non-obviousness
    - 1.2.3.3 Exclusive Rights of Patent Owner
    - 1.2.3.4 Infringement
    - 1.2.3.5 International and Domestic Protection
      - 1.2.3.5.1 United States Law
      - 1.2.3.5.2 International
  - 1.2.4 Trade Secrets and Confidential Information
    - 1.2.4.1 General
    - 1.2.4.2 Rights of Owner
    - 1.2.4.3 Enforcement Issues

## 1.3 Non-intellectual Property Rights—Ownership Status

- 1.3.1 Rights of Privacy and Publicity
  - 1.3.1.1 Product/Company Affiliations
    - 1.3.1.1.1 Endorsements
    - 1.3.1.1.2 Morals Clause
- 1.3.2 Domain Names
- 1.3.3 Miscellaneous Property Rights
  - 1.3.3.1 Mask Works
  - 1.3.3.2 Vessel Hull Designs
  - 1.3.3.3 Other Rights under Federal Law
  - 1.3.3.4 International Rights

#### **1.4 Forms**

- Form 1-1 Copyright Office Form TX
- Form 1-2 Copyright Office Form PA
- Form 1-3 Copyright Office Form SR
- Form 1-4 Copyright Office Form VA
- Form 1-5 Copyright Office Form SE
- Form 1-6 Copyright Office Form CA
- Form 1-7 Assignment of Copyrights
- Form 1-8 Document Cover Sheet for Recording Documents
- Form 1-9 Employee Confidentiality and Invention Agreement
- Form 1-10 Copyright Licensing Organizations and Publications Rights Clearinghouses
- Form 1-11 International Copyright Relations of the U.S.
- Form 1-12 Assignment of Registered Trademarks and Service Marks
- Form 1-13 Assignment of Patent Application
- Form 1-14 Assignment of Patent
- Form 1-15 Notice of Exclusive Patent License
- Form 1-16 Mutual Non-disclosure Agreement
- Form 1-17 Customer-Advisory Group Non-disclosure Agreement
- Form 1-18 Location Release
- Form 1-19 General Image Release
- Form 1-20 Testimonial Release
- Form 1-21 FTC Guides Concerning Use of Endorsements and Testimonials in Advertising
- Form 1-22 Top-Level Domain Registries
- Form 1-23 Employee E-mail and Internet Use Policy
- Form 1-24 Domain Name Assignment
- Form 1-25 ICANN Dispute Resolution Policy
- Form 1-26 Copyright Office Form D-VH
- Form 1-27 Copyright Office Form MW
- Form 1-28 IP Rights Complaint for Customs Enforcement

### Chapter Two Custom Development and/or Acquisition of Exclusive Rights in Technology

- 2.1 Defining Technology Needs
  - 2.1.1. Identifying Requirements
    - 2.1.1.1 The Business Need

- 2.1.1.2 Defining a Technology Product
- 2.1.1.3 The Technical Specification
- 2.1.2 Identifying and Soliciting Relevant Technology/Vendors
- 2.1.3 Project Management over the Life Cycle of the Technology
- 2.1.4 Testing and Acceptance to Specifications
  - 2.1.4.1 Trying to Hit a Moving Target
  - 2.1.4.2 Change Orders
- 2.1.5 The True Costs of Ownership
  - 2.1.5.1 Transaction Costs
    - 2.1.5.1.1 Third-Party Infringement
    - 2.1.5.1.2 Policing Licensees
  - 2.1.5.2 Practical Costs of Ownership
    - 2.1.5.2.1 Warranty and Maintenance
    - 2.1.5.2.2 Upgrades
- 2.2 Internal Development
  - 2.2.1 Employment Agreements
    - 2.2.1.1 Enforceability
    - 2.2.1.2 Dispute Resolution
    - 2.2.1.3 Specific Provisions
      - 2.2.1.3.1 Non-disclosure
      - 2.2.1.3.2 Invention Assignment
      - 2.2.1.3.3 Non-competition, Non-solicitation, Non-circumvention
  - 2.2.2 Subcontractors and Outsourcing
  - 2.2.3 Human Resources Issues
  - 2.2.4 Clean Rooms—Proof of Creation
  - 2.2.5 Non-intentional Infringement
- 2.3 Acquisition of Third-Party Technology
  - 2.3.1 Request for Proposal
  - 2.3.2 Evaluating Proposals
  - 2.3.3 Awarding a Bid
  - 2.3.4 Deliverables
  - 2.3.5 Embedded Third-Party Software
  - 2.3.6 Service-Level Agreements (SLAs)
- 2.4 Technology Licensing Agreements
  - 2.4.1 General
  - 2.4.2 Scope of License/Ownership
    - 2.4.2.1 Grant of Rights under License
    - 2.4.2.2 Derivatives, Continuations, Divisions
    - 2.4.2.3 Sublicensing and Third-Party Usage
    - 2.4.2.4 Assignment
    - 2.4.2.5 Restrictions
  - 2.4.3 Warranty
    - 2.4.3.1 Implied Warranties
    - 2.4.3.2 Express Warranties
    - 2.4.3.3 Disclaimer of Warranties
  - 2.4.4 Miscellaneous Terms

#### **2.5 Forms**

- Form 2-1 Business Needs Statement
- Form 2-2 Product Life-Cycle Policy
- Form 2-3 Cease-and-Desist Letter
- Form 2-4 Employee Confidentiality and Invention Agreement
- Form 2-5 Patent Assignment
- Form 2-6 Security Schedule
- Form 2-7 Sample Request for Proposal
- Form 2-8 Training Schedule
- Form 2-9 Insurance Schedule
- Form 2-10 Sample Patent-Technology License
- Form 2-11 Sample Clauses—Warranties and Representations for Software License
- Form 2-12 Sample Clauses—Miscellaneous Clauses for License Agreements

### **Chapter Three Computer Hardware and Personal Property Issues**

- 3.1 Hardware-Only Purchases
  - 3.1.1 Definitional Issues with Computer Hardware Transactions
    - 3.1.1.1 Personal Computers
      - 3.1.1.1.1 Configurations
      - 3.1.1.1.2 Source of Supply/Channels of Distribution
    - 3.1.1.2 Servers and Server Equipment
    - 3.1.1.3 Testing and Acceptance
  - 3.1.2 Pricing
    - 3.1.2.1 Purchase Price
    - 3.1.2.2 Discounts
    - 3.1.2.3 Hold-Backs
  - 3.1.3 Payment
    - 3.1.3.1 Deposits
    - 3.1.3.2 Method of Payment
    - 3.1.3.3 Payment Disputes
    - 3.1.3.4 Taxes
  - 3.1.4 Title
  - 3.1.5 Documentation
  - 3.1.6 Training
  - 3.1.7 Maintenance
- 3.2 Turnkey Systems and Equipment Resellers
- 3.3 Forms
  - 3.3.1 Hardware Purchase Forms
    - Form 3-1 Web-Based Terms of Sale
    - Form 3-2 Simple Hardware Purchase Agreement
    - Form 3-3 Simple Terms and Conditions for Hardware Sales
    - Form 3-4 Personal Computer Specifications
    - Form 3-5 Server Specifications
    - Form 3-6 Purchaser Money Security Agreement
    - Form 3-7 Maintenance Services for Hardware
  - 3.3.2 Turnkey Systems and Reseller Forms

Form 3-8 Simple Turnkey Hardware and Software Agreement

Form 3-9 Master Turnkey Hardware and Software Agreement

Form 3-10 Original Equipment Manufacturer (OEM) Agreement

# **Chapter Four** Computer Software and Intellectual Property Issues

- 4.1 Uniform Computer Information Transaction Act
- 4.2 Types of Computer Software
  - 4.2.1 Operating Systems
  - 4.2.2 Development Systems
  - 4.2.3 Application Systems
  - 4.2.4 Digital Databases
    - 4.2.4.1 Executables
    - 4.2.4.2 Digital Data
    - 4.2.4.3 Digital Compilations
    - 4.2.4.4 Digital Content
- 4.3 Definition of Deliverable
  - 4.3.1 Description of the Product
  - 4.3.2 Documentation
  - 4.3.3 Maintenance and Upgrades/Updates
  - 4.3.4 Installation and Training
- 4.4 Grant of License
  - 4.4.1 Exclusive vs. Non-exclusive
  - 4.4.2 Perpetual/Irrevocable vs. Limited Term/Revocable
  - 4.4.3 Transferable vs. Non-transferable
  - 4.4.4 Worldwide vs. Geographically Restricted
  - 4.4.5 Royalty vs. Royalty-Free
  - 4.4.6 Unrestricted vs. Field of Use
  - 4.4.7 Licensed Rights
    - 4.4.7.1 Use
    - 4.4.7.2 Reproduction
    - 4.4.7.3 Modification/Derivative Works
    - 4.4.7.4 Public Performance and Display Rights
- 4.5 Definition of User
  - 4.5.1 Definition of Licensee
  - 4.5.2 Definition of User Limitations
- 4.6 Pricing and Payment
- 4.7 Delivery and Installation
  - 4.7.1 Format/Media/Mode of Delivery
  - 4.7.2 Associated Deliverables
- 4.8 Testing and Acceptance
- 4.9 Training
- 4.10 Maintenance
- 4.11 Representations and Warranties
- 4.12 Indemnification
- 4.13 Limitations of Liability
- 4.14 Remedies

#### **4.15 Forms**

- Form 4-1 EU Database Directive
- Form 4-2 Software Evaluation License
- Form 4-3 Software License Agreement (Purchase-Side)
- Form 4-4 Downloadable Software License Agreement
- Form 4-5 Sample Purchase Order
- Form 4-6 Technical Support Services
- Form 4-7 Technical Support and Maintenance Schedule
- Form 4-8 Software Escrow Agreement

# **Chapter Five Technology Services/Consulting**

- 5.1 Consulting Agreements
  - 5.1.1 Definition of Services
  - 5.1.2 Staffing by Consultant
  - 5.1.3 Change Orders
  - 5.1.4 Performance Obligations of Consultant
    - 5.1.4.1 Location of Performance
    - 5.1.4.2 Use of Subcontractors by Vendor
    - 5.1.4.3 Standard of Performance
    - 5.1.4.4 Knowledge Transfer
    - 5.1.4.5 Employer Obligations
    - 5.1.4.6 Periodic Reporting
  - 5.1.5 Payment Obligations
  - 5.1.6 Intellectual Property
  - 5.1.7 Movement of Employees between Vendor and Purchaser
  - 5.1.8 Confidentiality and Privacy Provisions
  - 5.1.9 Dispute Escalation/Resolution
  - 5.1.10 Transition Assistance
- 5.2 Staff Augmentation/Business Process Outsourcing
  - 5.2.1 International Considerations
  - 5.2.2 Staff Transitions
  - 5.2.3 Organizational Issues
  - 5.2.4 Documentation
  - 5.2.5 Service Levels
  - 5.2.6 Monitoring Compliance
  - 5.2.7 Services Performed at Vendor Location
  - 5.2.8 Purchase of Vendor Equipment upon Termination
  - 5.2.9 Disaster Recovery
  - 5.2.10 Insurance

## **5.3 Forms**

- 5.3.1 Consulting Forms
  - Form 5-1 Simple Consulting Agreement
  - Form 5-2 Master Consulting Agreement
  - Form 5-3 Subcontractor Agreement
  - Form 5-4 Assignment of IP Rights in Work Product
  - Form 5-5 Corporate Code of Conduct

- Form 5-6 Insurance Requirements Schedule
- Form 5-7 Change Order
- 5.3.2 Staff Augmentation/Outsourcing Forms
  - Form 5-8 Master Outsourcing Agreement
  - Form 5-9 Data Management Outsourcing Agreement
  - Form 5-10 Document Retention Guide
  - Form 5-11 Emergency Management Guide for Business and Industry
  - Form 5-12 Checklist of Outsourcing Agreements

### **Chapter Six Internet-Based Transactions**

- 6.1 Web Development and Web Hosting
  - 6.1.1 Development of Web Content
    - 6.1.1.1 Purchaser Content
    - 6.1.1.2 Third Party/Vendor Content
    - 6.1.1.3 Vendor Tools
    - 6.1.1.4 Logistics of Web Development
  - 6.1.2 Infrastructure Obligations
  - 6.1.3 Operational Issues
- 6.2 Application Service Providers (ASPs) and Software as a Service (SaaS) Offerings
  - 6.2.1 Services Description
    - 6.2.1.1 Managed Applications
      - 6.2.1.1.1 Vendor/Third-Party Applications Hosting
      - 6.2.1.1.2 User/Third-Party Applications
      - 6.2.1.1.3 Database Management
    - 6.2.1.2 Managed Hosting
    - 6.2.1.3 Managed Equipment/Infrastructure
  - 6.2.2 Implementation Services and Schedule
  - 6.2.3 Operational Issues
  - 6.2.4 Training Schedule
  - 6.2.5 Confidentiality
  - 6.2.6 Transition Services
- 6.3 Internet Considerations
  - 6.3.1 Web Site Usage
    - 6.3.1.1 End-User Considerations
    - 6.3.1.2 Chatrooms/Message Boards
    - 6.3.1.3 Meta-tags and Trademark Issues
  - 6.3.2 Corporate Internet Usage Issues
    - 6.3.2.1 Internet Usage Policies
    - 6.3.2.2 Privacy Issues
    - 6.3.2.3 Digital Discovery Issues
  - 6.3.3 Web-Based Contracting
    - 6.3.3.1 E-Sign
    - 6.3.3.2 Uniform Electronic Transactions Act
    - 6.3.3.3 General E-Commerce Issues
      - 6.3.3.3.1 Magnuson-Moss Warranty Act

### 6.3.3.3.2 FTC Mail or Telephone Order Merchandise Trade Regulation

Rule

### 6.3.4 Cooperative E-Commerce

6.3.4.1 Linking and Framing

6.3.4.2 Co-marketing

## 6.3.5 Fiduciary/Fidelity Issues

6.3.5.1 BBBOnline®

6.3.5.2 TRUSTe®

6.3.5.3 Verisign®

6.3.5.4 PayPal®

6.3.5.5 buySafe®

#### **6.4 Forms**

# 6.4.1 Web Development Forms

Form 6-1 Web Development and Hosting Agreement

Form 6-2 Assignment Agreement

Form 6-3 Change Order

Form 6-4 Domain Name Agreement

Form 6-5 Privacy Policy

# 6.4.2 Web Hosting and ASP Forms

Form 6-6 Hosting Services Agreement—Vendor-Oriented—Click-Through

Form 6-7 Hosting Services Schedule (SLA) Addendum

Form 6-8 Equipment Schedule

Form 6-9 Acceptable Use Policy

Form 6-10 Web Hosting Agreement—Purchaser-Oriented

Form 6-11 Software Escrow Schedule

Form 6-12 Insurance Schedule

#### 6.4.4 Web Site Usage Forms

Form 6-13 Assignment of Copyright

Form 6-14 Trademark License

Form 6-15 Web Advertising Agreement

Form 6-16 Framing/Linking Agreement

Form 6-17 Internet Usage Policy

Form 6-18 Terms of Sale (Goods)

Form 6-19 Terms of Sale (Services)

Form 6-20 Downloadable Software License