

Managing Intellectual Property

10 Recommendations for Protecting What Belongs to You

Patents, trade secrets, know-how, copyrights, and trademarks can be crucial to your business. Managing this intellectual property can make the difference between fortune and failure. This brochure presents ten recommendations for protecting what belongs to you.

GENERAL

Recommendation 1:

Obtain written assignments of all inventions and copyrights from employees and third-party vendors including consultants, advertising agencies, and photographers, and have these assignments reviewed by your attorney.

Recommendation 2:

When adopting anything new, such as technology, a trademark, or software, contact your attorney about conducting a right-to-use study to avoid infringement.

INVENTIONS & TRADE SECRETS

Recommendation 3:

Assume that any disclosure to a third party, including a customer, a vendor, a consultant, or a competitor, will not remain confidential. Confidentiality agreements offer some degree of protection, but they are not guarantees against improper disclosure.

Recommendation 4:

Discussing an idea in the presence of others, such as actual/prospective customers, vendors, or consultants, can result in a claim of co-ownership of your idea. Avoid this situation by listening to the challenge presented, and then by conducting your problem-solving in private.

Recommendation 5:

When negotiating an agreement, avoid terms that may limit your ability to compete. Terms that require careful scrutiny include:

- An agreement stating that ownership of an invention does not belong to you.
- A software or website development agreement that does not explicitly provide for your ownership of the software.
- Prohibitions against reverse engineering by you.
- Confidentiality clauses.
- Unreasonable restrictions on the use of deliverables.
- Continuing obligations to use the vendor, e.g., for software modifications or hosting.
- Limitations on the other party's indemnification obligations, e.g., no indemnification for infringement of patents, copyrights, or trade secrets.

Recommendation 6:

Protect your inventions by documenting all improvements and promptly disclosing potentially patentable inventions to your patent attorney. Do not offer to sell the improvements and do not publicly disclose them until your attorney has considered the feasibility of patent and trade secret protection.

COPYRIGHTS & TRADEMARKS

Recommendation 7:

Protect your copyrights by using a proper notice on all copyrightable works, including software, advertisements, brochures, and artwork. Check with your attorney to determine if the copyrights should be registered.

Recommendation 8:

Before adopting a trademark or service mark, have a search conducted to make certain that the mark, and the corresponding domain name, are available. If the mark is available, register the mark and use it properly. Do not allow third parties to use your mark without a written license agreement.

LITIGATION

Recommendation 9:

If you have a claim against another party, proceed promptly. If you delay, you could lose your rights.

Recommendation 10:

Contact your attorney promptly if you receive a cease and desist letter. Your attorney may lessen the possibility of a lawsuit being filed against you, and failure to consult with your attorney may expose you to increased damages for willful infringement. If actually sued, contact your attorney promptly. Failure to timely respond to a lawsuit can have serious, and costly, ramifications.