

THE TECH CONTRACTS HANDBOOK

Software Licenses and Technology Services Agreements for Lawyers and Businesspeople

by David W. Tollen

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Contract Clause

Assignment / Work for Hire – Ownership of Work Product

You may use the contract clause below, subject to the “Terms of Use” found at <http://techcontracts.com/html/privacy-policy.html>. In addition to the Terms of Use, PLEASE READ THE FOLLOWING DISCLAIMER BEFORE USING THE CLAUSE:

The contract clause below is general in nature and may not be sufficient for a specific contractual, technological, or legal problem or dispute. THE CLAUSE IS NOT PROVIDED WITH ANY GUARANTY, WARRANTY, OR REPRESENTATION AS TO QUALITY OR SUITABILITY FOR ANY PARTICULAR PURPOSE. Publication of the clause does not constitute the practice of law and is not legal counsel or advice. Neither the author nor the publisher of The Tech Contracts Handbook, nor anyone affiliated with the book’s Website, is rendering a legal or other professional service. The clause should not be relied upon as a substitute for consultation with an experienced attorney.

- (a) *Reporting of Inventions.* Provider will promptly disclose to Recipient all computer software programs, other works of authorship, formulas, processes, compositions of matter, databases, mask works, improvements, logos, symbols, designs, and other inventions that Provider makes, conceives, reduces to practice, or creates, either alone or jointly with others, during the period of the Provider’s engagement with Recipient (collectively, “Inventions”), whether or not in the course of such engagement, and whether or not such Inventions are patentable, copyrightable, protectable as trade secrets, or otherwise subject to intellectual property protection.
- (b) *Recipient Ownership of Work Product.* An Invention will be considered “Work Product” and will be Recipient’s sole property if it fits any of the following three criteria: (1) it is developed using equipment, supplies, facilities, or trade secrets of

Recipient; (2) it results from Provider's work for Recipient; or (3) it relates to Recipient's business or its current or anticipated research and development.

- (i) **Work-for-Hire.** To the extent permissible under applicable law, Work Product will be considered work made for hire pursuant to the U.S. Copyright Act, 17 U.S.C. §101 *et seq*, and any foreign equivalent thereof.
- (ii) **Assignment.** To the extent, if any, that Work Product may not be considered work made for hire, Provider hereby assigns to Recipient all of its ownership, right, title, and interest in and to all Work Product, including, without limitation: (A) all copyrights, patents, rights in mask works, trademarks, trade secrets, and other intellectual property rights and all other rights that may hereafter be vested relating to the Work Product, arising under U.S. or any other law, together with all national, foreign, state, provincial, and common law registrations, applications for registration, and renewals and extensions thereof; (B) all goodwill associated with Work Product; and (C) all benefits, privileges, causes of action, and remedies relating to any of the foregoing, whether before or hereafter accrued (including without limitation the exclusive rights to apply for such registrations, renewals, and/or extensions, to sue for all past infringements or violations of any the foregoing, and to settle and retain proceeds from any such actions).
- (c) **Backup License.** To the extent, if any, that this Section ___ does not provide Recipient with full ownership, right, title, and interest in and to the Work Product, Provider hereby grants Recipient a perpetual, irrevocable, fully-paid, royalty-free, worldwide license to reproduce, create derivative works from, distribute, publicly display, publicly perform, use, make, have made, offer for sale, sell or otherwise dispose of, and import the Work Product, with the right to sublicense each and every such right.
- (d) **Prior Inventions.** Provider represents that Exhibit A attached to this Agreement is a list of all Provider's Inventions prior to the Effective Date which Provider has not separately assigned to Recipient (collectively "Prior Inventions"), and that if Exhibit A is blank or not included, there are no Prior Inventions. Provider will not use any Prior Invention in Provider's work related to the engagement with Recipient without Recipient's prior written consent. To the extent that Provider does use or incorporate a Prior Invention in a product, service, or process created for Recipient, with or without Recipient's consent, Provider hereby grants Recipient a nonexclusive, perpetual, irrevocable, fully-paid, royalty-free, worldwide license to reproduce, create derivative works from, distribute, publicly display, publicly perform, make, have made, offer for sale, sell or otherwise dispose of, import, and use such Prior Invention, solely in conjunction with the product, service, or process in question, with the right to sublicense each and every such right.
- (e) **Moral Rights.** In addition to the foregoing transfers and allocations of rights, Provider hereby irrevocably transfers and assigns to Recipient any and all "moral rights" Provider may have in or with respect to the Work Product. Provider also hereby forever waives and agrees that it will never, even after termination of its engagement with Recipient, assert any of the following against Recipient or its customers, licensees, or sublicensees (direct and indirect): (i) any moral rights with

respect to the Work Product; and (ii) any moral rights with respect to the Prior Inventions licensed pursuant to Subsection __ (d) above. "Moral rights" include any rights to claim authorship of or credit on a work of authorship, to object to or prevent the modification or destruction of a work of authorship, or to withdraw from circulation or control the publication or distribution of a work of authorship, and any similar right, existing under judicial or statutory law of any country or subdivision of a country, or under any treaty, regardless of whether or not such right is described as a "moral right."

- (f) *Further Assistance.* Provider will help Recipient obtain and enforce patents, copyrights, rights in mask works, trade secret rights, and other legal protections for the Work Product in any and all jurisdictions throughout the world. Provider will execute any documents Recipient reasonably requests for use in obtaining or enforcing such rights and protections. To the extent that such assistance occurs after Provider's engagement with Recipient, Recipient will compensate Provider at a reasonable rate for time and expenses spent at Recipient's request pursuant to this Subsection __ (f). Provider hereby appoints Recipient or its designated representative as Provider's attorney-in-fact to execute documents on Provider's behalf for the purposes set forth in this Subsection __ (f).
- (g) *Survival.* The rights and obligations of this Section __ will survive any termination or expiration of this Agreement or of Provider's engagement with Recipient.