Insights: Alerts

6 Key Takeaways, ACC Legal Quick Hit: Glass Half Empty or Half Full? Key Ways to Right-Size Joint IP Ownership

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Kandace Watson, Kilpatrick Townsend Partner and Co-Chair of San Diego's Association of Corporate Counsel Technology and Licensing Roundtable, recently led an interactive webinar titled **"Legal Quick Hit: Glass Half Empty or Half Full? Key Ways to Right-Size Joint IP Ownership."**

Six key takeaways from the presentation, include:

Commencing Collaborative Conversations.

Protect yourself with a right-sized drafted confidentiality agreement. Use letters of intent to ensure high level goals are clear. Follow up with more financially and legally detailed term sheets to identify potential "dealbreakers" as soon as practicable – such as tax, IP ownership, financial and governance terms.

Know Motivations of All Parties for Collaboration.

In addition to knowing your company's goals, know what the collaborator desires from the collaboration. Can you deliver mutually desirable results? If not, then reconsider whether to pursue the collaboration.

Construct the Legal Structure that Best Supports Your Goals.

Will a simple cross-license suffice? If you need to pool resources for a specific task or build new IP together, perhaps a joint venture is appropriate. If each party has unique industry expertise and you're working together to jointly bid and perform under a large government contract, perhaps a teaming agreement is best. If you're in academia and joining with industry players to conduct research, a consortium agreement may suit your needs.

Know the Four Key Types of IP Relevant to Collaborations.

1. Background IP (IP supplied by partners at the start of the project).
2. Foreground IP (IP produced within the collaboration during the project term).
3. Sideground IP (IP relevant to a collaboration, but produced outside the project by any of the partners during the project's term).
4. Postground IP (IP relevant to a collaboration that is produced by any of the partners after the project ends).

Agree in advance on each partner's rights following an exit from the collaboration.

Be Prepared for a Breach.

Monitor your collaboration partner's security measures to protect IP. Limit online and facility access. Monitor

downloads to external devices. Set up searches to monitor collaborator's patent and scientific publications.

Educate, educate, educate.

Train employees, contractors, and project team members on avoiding "cross-pollination" on projects and protecting IP.