

Legal Considerations of Software Licensing and Other Technology-Related Agreements

Overview

Draft licensing agreements that ensure support, maintenance, warranty and software updates. Gain an understanding of the legalities that affect technology and e-commerce purchasing. Review the key components of a contract and requirements for complex buys. Protect intellectual property, analyze and draft various types of technology-related contracts and explore statements of work for electronic projects and contracts. *Bring copies of your contracts for reference during the program.*

Suggested prerequisites: *Contracting Basics: What All the Ts and Cs Mean* and/or *Legal Aspects of Supply Management: The Basics You Need to Succeed.*

Who Should Attend

Supply management and IT professionals involved in the purchase or contracting of computer software, hardware or unique technologies. Participants should have a fundamental knowledge of business contracts, purchasing law and the Uniform Commercial Code (UCC).

You Will Learn...

- To understand, analyze and construct agreements for complex buys
- Key techniques to negotiate and draft effective technology procurement statements of work and agreements
- How to use important application contract terms
- Methods to protect intellectual property
- The latest technology and e-commerce legal developments pertaining to purchasing and supply

Course Outline

- A. What makes technology contracts different; Review of basic contract law; Distinguishing between goods, services and information; Determining which body of law covers the contract; Drafting contracts governed by more than one body of law; How body of law differs from choice of law, choice of forum and mode of dispute resolution; Bidding processes, specifications and warranties; Defining independent contractor versus employee, and the legal implications
- B. Primer on intellectual property; Defining intellectual property; Copyrights; Patents; Trademarks, service marks; Trade secrets
- C. Legal elements of license agreements; The importance of and need for software licensing agreements; Defining the intellectual property to be transferred; How license agreements for shrink-wrap (off-the-shelf) software differ from license agreements for customized software; Commonly used terms and conditions; Protecting confidentiality of buyer and seller; Scope-of-use restrictions; Term of license; Using and drafting escrow agreements and software source code escrow agreements
- D. Defining scope of work and technical requirements; Defining user requirements; Developing clear specifications and performance standards; Defining software design and functional requirements; Defining hardware requirements; Overall expectations of system performance; Project management needs and resources in buyer and seller organizations; Acceptance testing; Defining final acceptance, drafting acceptance testing criteria; Practical exercises in contract writing and review

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- E. Training, support and maintenance agreements; Identifying training needs, costs of training, where training occurs; Identifying internal and external technical support needs; Defining scope of maintenance agreement, scope of support services required; Software release updates, fixing of bugs, enhancements to existing software; Warranty versus maintenance
- F. Other common clauses in technology contracts; Confidentiality and non-disclosure; Royalties and payment options; Transfer of proprietary rights; Warranties and specifications; Remedies and limitations; Assignment: Determining negotiable factors of these clauses and other agreement issues
- G. Legal considerations surrounding electronic commerce; Legal implications of purchasing via the Internet; Creating enforceable, legal contracts online; The role and use of digital signatures

You Will Earn... 14.00 continuing education hours

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Upcoming Dates:

#4554-09 March 30-31, 2009 Las Vegas, NV

Bibliography

Resource Guide: Software Licensing & Contracting (sources are 2001-2004)

The ISM Resource Guides are **FREE** to ISM members.

<http://www.ism.ws/tools/Guides/index.cfm?navItemNumber=12977>

Pay Attention to "Details" in a Software License Contract; Mary C. Tunstall; September 2004, *Inside Supply Management*®; Vol. 15, No. 9, page 12

Software License Agreements: Defining Performance; Martin J. Carrara, J. D., C.P.M.; November 2003, *Inside Supply Management*®; Vol. 14, No. 11, page 16

Preparation and Due Diligence Pay off; Michael D. Feldman, C.P.M.; May 2003, *Inside Supply Management*®; Vol. 14, No. 5, page 12

Application Service Provider Contracting; Robert K. Peddycord, Esq.; February 2003, *Inside Supply Management*®; Vol. 14, No. 2, page 11

Supply Management and IT Strategy: A Good Fit; Carolyn Pye Sostrom; October 2001, *Purchasing Today*®; Vol. 12, No. 10, page 39

Software Licenses Defined; Mary C. Tunstall, C.S.M.; April 2001, *Purchasing Today*®; Vol. 12, No. 4, page 22

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