Confidentiality

Deciding Whether to Accept Confidential or Proprietary Information Under a Non-Disclosure Agreement
Confidentiality

• When is confidentiality worth it?
Use of Confidential Information in Research

Questions of Academic Merit & Conduct

- Project merit?
  - No → Don’t sign
  - Yes → Information essential?

- Information essential?
  - No → Don’t sign
  - Yes → Academic Purpose?

- Academic Purpose?
  - No → Don’t sign
  - Yes → Justify Project?
    - No → Use of information in project
    - Yes → (primary reason)

Use of information in project
Questions of Academic Merit and Conduct (Continued)

Use of information in project

- background
  - Necessary to Evaluate Dissertation Or Thesis?
    - Yes → Don’t sign
    - No → Grant Backs of Rights in Project IP

- foreground
  - Time limited obligation of < 3 years
    - Yes → Don’t sign
    - No → Necessary to Evaluate Dissertation Or Thesis?
      - Yes → Grant Backs of Rights in Project IP
      - No →
Evaluation of NDA Terms

1. Grant Backs of Rights in Project IP
   - Yes
     - Use right or right to IP
     - USE
     - Appropriate & well-defined use?
       - Yes
         - Scope of confidential information well-defined
           - Yes
             - Recipients and disclosers identified
               - Terms on use of information appropriate?
               - Don’t sign
     - Don’t sign
   - No
     - IP
     - Don’t sign
Scope

• Should be narrowly defined to research/tech transfer purpose
  – Solely for the purpose of licensing and developing x technology from University.
  – Solely for the purpose of conducting x analysis under the y research collaboration.
Time Limited Exchange

• University benefits from as short of information exchange period as possible:
  – Shared from February 1, 2008 to February 8, 2008

• Information should be destroyed within a reasonable period
  – Destroyed on or before April 8, 2008 (2 months to review opportunity)
Discloser & Recipient

• It is generally in the University’s interest to identify specific recipient(s) and disclosers
  – Professor Smith shall be the sole recipient and discloser of confidential information for University.
  – Ms. Jaynes of Company will be the sole discloser for Company.
Feedback

• It can be beneficial to receive “feedback” from parties interested in your technology:

  – Company may from time to time provide suggestions, comments or other feedback to University with respect to Information provided originally by University (hereinafter “Feedback”). Both parties agree that all Feedback is and shall be entirely voluntary and shall not, absent separate agreement, create any confidentiality obligation for University. However, University shall not disclose the source of any feedback without Company’s consent. Feedback shall be clearly designated as such and, except as otherwise provided herein, University shall be free to disclose and use such Feedback as it sees fit, entirely without obligation of any kind to Company.
Residuals

• University shall be free to use for any purpose the residuals resulting from access to or work with such Confidential Information, provided that University shall maintain the confidentiality of the Confidential Information as provided herein. The term "residuals" means information in non-tangible form, which may be retained by persons who have had access to the Confidential Information, including ideas, concepts, know-how or techniques contained therein.
Signature

- Signature authority rests with Innovation Partnership Services
- Concurrence by university personnel disclosing and/or receiving Information
- Department Chair may concur if non-standard terms
Publication

University reserves the right to publish or permit to be published by University Personnel the results of Project research undertaken by University Personnel. To prevent untimely disclosure or exploitation of Company Confidential Information, Joint Confidential Information, or other materials proprietary to Company, University shall provide Company Liaison with a copy of any proposed publication resulting from the Project at least thirty (30) days prior to submission for publication. Company shall have thirty (30) days (the "Pre-publication Review Period") to review the proposed publication. If Company determines that Company Confidential Information is included in the proposed publication, University will at Company's request remove such Company Confidential Information prior to submission for publication. At Company's request, the proposed publication may be delayed for up to three (3) months beyond the end of Pre-publication Review Period. If Company seeks to delay publication, Company shall make such request in writing together with identification of the information or materials of concern and reasons why delay is warranted.
Case Study
Trade Secret Based Company

1) Mode of operation for student from Company to work with University & Students
   1) Student is a Company employee working with University staff & students – similar to sponsored project
   2) Student anticipates moving back and forth between University and Company every 6 months
   3) Student anticipates working on University projects that are related to Company work
Parameters defining mode

Company support for the project makes the research possible or significantly contributes to it.

Resources being made available by Company other than simply student’s time. For example, resources could include access to code created by Company or other specialized information.

Cannot be used as part of thesis, dissertation, or qualifying exam project unless agreement in advance that all necessary information required to meet academic requirements is publishable.

The sole control for that decision would rest with student and the student’s advising Committee. Requires agreement which states what the project area and area of obligation is to be.
Rights Issues

• Student acting in the capacity of a Company employee.
• University Students and staff are acting either as independent agents or as University employees.
• Ownership in rights follows law, e.g., patents by inventive conception not simply mechanical reduction to practice.
• Joint ownership of patents requires intent to collaborate.
• Code ownership follows authorship and joint ownership requires intent to produce joint work and joint contribution. May have collections and joint works that are derivative.
Structure

• University participants must sign participation agreement consolidating rights at University so that University is in a position to deliver to Company as needed;

• Short description of project and nature of collaboration approved by Company and academic advising committee. No confidential information can be central to the quals, thesis, or dissertation project.
Structure (continued)

• General patent management and disclosure agreement between U/Co regarding patents involving Company student, University staff & students in operating in this mode.

• Foreground “trade secret and know-how” must be useable without restriction and “publishable”, that is ownership of information is joint without restriction or accountability other than to allow time to secure patent rights, copyright registrations, or to insure that background information obtained with obligation of confidentiality is not being released unless done so with permission of the owner;
Structure (continued)

• Secure server with code base(s) – two partitions. First is background code from either party. Conditions of access to code defined by code owner, including limitations on distribution and to what extent technical information is confidential. Any derivatives/extensions go back in this partition. Use of foreground code beyond the research collaboration requires agreement.

• Second partition is code developed in de novo collaboration. Any code placed on server in the de novo partition is freely available to either party under “do as you please” philosophy with no requirement for accounting in either direction.