

INTELLECTUAL PROPERTY AS BUSINESS ASSETS



Sheridan College Game Design Class
February 4, 2020

Presenters



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What is Intellectual Property (IP)?

*“IP refers to creations of the mind: **inventions**; **literary and artistic works**; and **symbols, names and images** used in commerce”*

World Intellectual Property Organization



Summary

- IIPCC GTA Chapter Introduction
- Overview
 - Copyrights
 - Trademarks
 - Trade secrets
 - Patents
 - Design rights
- IP from a business perspective
 - IP issues working with/as contractors/consultants
 - IP issues in partnerships
 - IP issues in hiring employees
 - Issues in licensing IP

IIPCC GTA Chapter Introduction

- IIPCC
 - Non-profit, non-partisan, non-governmental organization (NGO)
 - Worldwide presence
 - UN observer status
- GTA chapter
 - Founded in 2018
 - Connected to other chapters of the IIPCC globally
- Dedicated to building the *IPinnopreneurship*TM ecosystem
 - Assist **innovators**, **entrepreneurs**, and enterprises realize and maximize the benefits of their **IP**.

Overview

- Copyrights
- Trademarks
- Trade secrets
- Patents
- Design rights

• Copyrights

- Trademarks
- Trade secrets
- Patents
- Design Rights



- Provides protection for literary, artistic, dramatic or musical work for a period of time
- Digital rights – copyright associated with data circulated via the Internet or other digital media eg. website
- In Canada, term is 50 years after creator dies
- Owner has *exclusive* right to produce, reproduce or publish all or any part of work
- Copyright can be assigned (eg employee to employer), moral rights cannot
- Copyright can be licensed
- Moral rights can be waived
- Automatic protection
- Can register copyright with CIPO (\$50 per work)



- Copyrights

- **Trademarks**

- Trade secrets
- Patents
- Design Rights



- *Distinctive* combination of letters, words, sounds or designs
- Used to identify goods or services
- Can provide value for company's reputation and brand
- Mark it with "TM" to show it's your brand
- Register it with CIPO and mark ®
- Owner of registered trademark has exclusive rights over the trademark in Canada
- 10 year term, renewable

TM



- Copyrights
- Trademarks
- **Trade secrets**
- Patents
- Design Rights
- Something that by its **secret** nature allows the **owner** to derive **economic value** *e.g.* Coke recipe
- Ownership tied to secrecy
 - **Loss of secrecy -> loss of ownership and economic value**
- Owner must take **reasonable measures** to maintain secrecy
 - **Non-disclosure agreements (NDA) or confidentiality agreements are key**
 - Identify/prioritize trade secrets then regulate access accordingly
 - Institute appropriate **cybersecurity measures**



- Copyrights
- Trademarks
- **Trade secrets**
- Patents
- Design Rights
- **International Knowledge Registry (IKR)**
 - Proof of ownership and existence is key in litigation
 - **The IIPCC International Knowledge Registry (IKR) is a vital tool for proof of ownership and existence**
- **IKR details**
 - Provides you with a unique digital fingerprint which identifies your digital document
 - International date/time stamp associated with the digital fingerprint.
 - Fingerprint is held by the World IP Organization, a UN body.



- Copyrights
- Trademarks
- Trade secrets
- **Patents**
- Design Rights
 - Gives owner the **right to exclude** parties **from make/use/sale of claimed** invention for a **period of time** (e.g. in Canada/US 20 years from filing)
 - Invention must be **novel/inventive** over prior art/prior use
 - Useful to do prior art/prior use search
 - Invention is **published in exchange** for patent grant
 - In Canada, patents are filed with **CIPO**
 - Items can then be marked patent pending.



- Copyrights
- Trademarks
- Trade secrets
- Patents

- **Design Rights**



- Allow the owner to protect distinctive “look and feel” of different items
e.g. Coke bottle, Air Jordan shoes
- Design must be novel
 - Consider doing prior design search
- In Canada, rights are later of [Filing + 15 years, Registration + 10 years]
- File industrial designs with CIPO

IP from a Business Perspective

- IP issues working with/as contractors/consultants
- IP issues in hiring employees
- IP issues in joint ventures
- Issues in licensing IP

Working *with* or *as* a Contractor



- Need to reduce “IP flight risk”
- When hiring a contractor
 - Ensure you maintain ownership/control of IP developed by contractors and obtain waivers to moral rights
 - Require contractor to identify subcontractors used and obtain assignments/waivers of IP rights from subcontractors
- When working on contract
 - Ensure you retain ownership of pre-existing IP.
 - If pre-existing IP is developed during the engagement, obtain license to ensure ability to practice developed IP
 - Ensure that all employees and subcontractors agree in writing to assign IP rights.

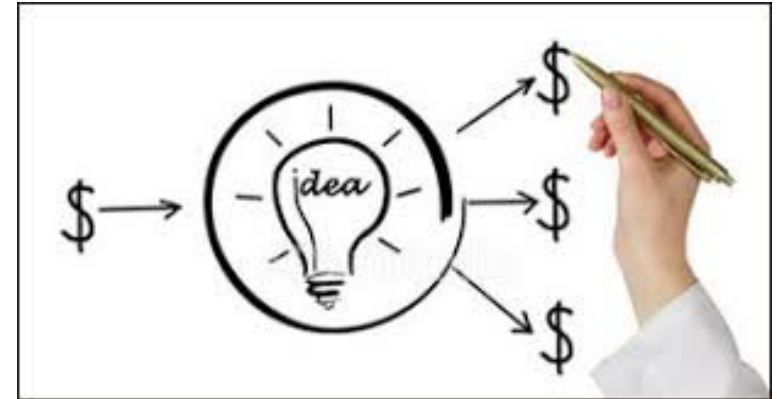
Hiring Employees



- Need to reduce “IP flight risk”
 - Properly identify IP
 - Properly secure IP
- Include IP clauses in employment agreement to reduce flight risk
 - Put onus on employee to disclose inventions and participate in discovering new inventions
 - Use express language clauses *e.g.* “[Employee] assigns to the company all applicable future rights in inventions during course of employment”
- Ensure retention of rights to enforce/register/prosecute
- Obtain waivers of moral rights

Issues in Licensing IP

- Compensation
 - Profit or revenue or equity?
 - Rates? Flat fee vs % of revenue?
- Costs and responsibilities
 - Cost/responsibility of enforcement/prosecution
- Rights/responsibilities of licensee
 - Sub-license? Exclusive/non-exclusive license?
 - Term/termination?
 - Indemnities/warranties?
- Rights/responsibilities of licensor
 - Indemnification?
 - Exclusive/non-exclusive license?
 - Future developments of IP –right of first refusal to licensee?





Thank you!

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