

# TECHNOLOGY CHECKLIST

## FOR

### COMPANY MANAGERS AND COUNSEL

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**I. Inventory of Intellectual Property Assets**

**A. Patents**

**B. Trademarks/service marks**

**C. Common law marks**

1. Names of products and services
2. Product packaging
3. Advertising
4. Icons, logos, graphics
5. Sound, scent, color
6. Designs
7. Customer nicknames
8. Internet domain names
9. Toll-free telephone numbers

**D. Trade names/corporate names**

**E. Copyrights**

**F. Trade dress**

**G. Trade secrets/know-how**

1. Software
2. Customer lists
3. Know-how
4. Non-public ideas and concepts

5. Combinations of elements in the public domain
6. Specially-developed customer information and sales practices
7. Negative information (e.g., negative results of R&D)
8. Production processes
9. Survey and research data and conclusions

## **II. Evaluate Intellectual Property Issues in Commercial Contracts**

### **A. Agreements with employees**

1. Confidentiality/non-disclosure agreements
2. Cooperation/reporting agreements
3. Non-competition agreements
4. Hiring and exit procedures
5. Termination agreements

### **B. Licenses**

1. Bundle of rights evaluation:
  - a. Field of use
  - b. Territory
  - c. Exclusivity
  - d. Sublicensing
  - e. Quality control mechanisms

- f. Periodic inspections/reviews exercised
  - g. Indemnification
  - h. Royalties
  - i. Mode of delivery (tax treatment)
  - j. Insurance
  - k. Governing law
- 2. Types of licenses
    - a. Inbound
    - b. Outbound
    - c. Cross-licensing
- C. Agent agreements**
- D. Agreements with competitors**
- 1. Joint development agreements
  - 2. Technology transfer agreements
- E. Agreements with suppliers**
- F. Agreements with customers/distributors**
- G. Outsourcing agreements**
- H. Alliance teaming agreements**
- I. Original equipment manufacturer (OEM) agreements**

**III. Protection of Intellectual Property Ownership**

- A. Financing agreements**
- B. PTO and Copyright Office title searches**
- C. State filings**
- D. Foreign filings**
- E. Internet domain name registrar filings**

**IV. Infringement Claims and Liability**

- A. Identification of infringement of company’s IP assets**
- B. Preparing for adverse claims**
  - 1. Coordination among counsel and senior management
  - 2. Periodic review of competitors’ activity
  - 3. Employee and FAE (“Field Application Engineer”) reports
  - 4. Centralization of threatening communications
  - 5. Intelligence from trade shows
- C. Assess infringement liability risk exposure**
  - 1. Assess the actual or prospective plaintiff (major competitor; non-competitive large company, individual)
  - 2. Nature of IP at issue
  - 3. License status
  - 4. Potential counterclaims
  - 5. Possible third party/interpleader issues

**D. Defenses against infringement claims**

1. Analysis of asserted or threatened claims
2. Obtain opinion of counsel
3. Pursue license offers
4. Pursue declaratory judgment where claims threatened
5. Expert opinions
6. Use or manufacture by or for U.S. government with authorization or consent

**V. Internal Practices for Creating and Protecting Intellectual Property**

**A. Integrate IP into overall business plan**

**B. Methods for improving IP protection**

1. Patents
  - a. Monitoring pre-filing disclosure and commercial activity to preserve patentability
  - b. Inventor's notebook
  - c. Invention disclosure forms
  - d. Employee education and motivation
  - e. Patent review committee
  - f. Selecting patent vs. trade secret
  - g. Foreign filing strategy
  - h. Periodic patent searches in key areas



2. Trademarks

- a. Review of products and services, packaging, marketing literature and advertising to identify marks or potential marks
- b. Publication of guidelines on proper usage
- c. Trademark review committee/marketing review board
- d. Employee education and motivation
- e. Policing use of marks
- f. Domestic and foreign filing strategy
- g. Prioritize marks to be pursued
- h. Periodic trademark searches
- i. Maintain archive files

3. Copyrights

- a. Employee education and motivation
- b. Distribution of policies and guidelines
- c. Keep files documenting independent creations (e.g., “clean room” documentation)
- d. Placement of copyright notices
- e. Copyright review committee
- f. Monitor use of portable computers
- g. Confirm proper licensing of software programs
- h. Special forfeiture rules for work published prior to March 1, 1989
- i. Assess renewability of assigned copyrights

- j. Prioritize copyrights to be pursued
- k. Maintain archive files
- l. Domestic and foreign filing strategy
- m. Digital Millennium Copyright Act agent registration
- n. Special Procedures for filing computer programs
- 4. Trade Dress, trade secrets, and know-how
  - a. Procedures to improve the identification of trade dress, trade secrets, and know-how
  - b. Procedures to improve the trade secret and know-how security
  - c. Review information storage and management practices
  - d. Record destruction policy
  - e. Physical facilities security
  - f. Employee exit interviews
  - g. Pre-publication review
  - h. Verify employment agreements
  - i. Archive files or indices

## **VI. Regulatory Review of Transactions**

### **A. Antitrust Review**

- 1. Hart-Scott-Rodino Reporting
- 2. “Rule of Reason” or per se treatment of transactions
- 3. Particular review of non-competition agreements

**B. National Security Review (CFIUS, or Exon-Florio)**

1. Transactions affecting control of a U.S. business by a foreign person
  - a. Acquisition of control of a U.S. business by a foreign person
  - b. Transfer of control from one foreign person to another
  - c. Acquisition of control of assets constituting a U.S. business
  - d. Joint venture with foreign person that assumes control of a U.S. business
  
2. Indicia of possible impact on national security
  - a. Federal government contracts
  - b. Export controlled technologies
  - c. Military applications
  - d. Classified information/security clearances
  - e. Relevance to critical infrastructure and critical technologies
  - f. Involvement of foreign governments
  
3. Review by Committee on Foreign Investment in the United States
  - a. Pre-filing consultation
  - b. Voluntary notice of proposed transaction
  - c. 30-day review
  - d. Possible 45-day investigation and CFIUS recommendation

**VII. Federal Funding Considerations**

**A. Treatment of “Subject Inventions”**

1. Invention reporting requirements
2. Election to retain title
3. Initial patent application filing and prosecution responsibility

**B. Government title**

1. Failure to timely disclose
2. Failure to timely elect title
3. Failure to timely file patent application
4. Decline to prosecute

**C. Contractor requirements for protecting government’s interests**

1. Instruments to establish or confirm license rights or to convey title
2. Employee invention disclosure agreement
3. Invention reporting training for employees
4. Notifications of decision to decline to prosecute
5. Mandatory disclosure of government support and government rights

**D. Government patent rights clause in any subcontracts or sub-awards**

**E. Invention utilization reporting**

**F. U.S. manufacturing by exclusive U.S. licensees**

1. Federal agency waiver standards
  - a. Reasonable but unsuccessful efforts to license

- b. Commercial infeasibility

**G. Reasons for exercise of government march-in rights**

- 1. Effective steps to achieve practical application
- 2. Health or safety needs
- 3. Specific public use requirements
- 4. Violation of U.S. manufacturing requirement

**H. Restrictions on licensing by non-profit awardees**

**VIII. Regulation of Technology Exports and Disclosures to Foreign Persons**

**A. Understanding impact of economic sanctions**

- 1. Restricted countries
- 2. Specially Designated Nationals or Blocked Persons  
(<http://www.treas.gov/offices/enforcement/ofac/sdn/index.shtml>)

**B. Defense trade controls**

- 1. Munitions List items (22 C.F.R. 121.1)
- 2. Defense articles specifically designed, developed, configured, adapted, or modified for a military application
- 3. State Department registration requirement
- 4. Commodity jurisdiction determinations

**C. Dual-use export controls**

- 1. Export Control Classification Number (15 C.F.R. 774)
  - a. Controls on technologies that are “for,” “specially designed for,” or “required”

2. Reasons for control
3. Technology control specifications and thresholds
4. Applicable list-driven license exceptions (15 C.F.R. 740)
  - a. Technology for civil end use (CIV)
  - b. Technology and software restricted, with written assurances (TSR)
5. Destinations subject to export licensing
  - a. Country Chart matrix
  - b. General license exceptions
6. Formal classification determinations
7. Wassenaar reporting requirements
8. Special end-use restrictions for
  - a. Nuclear
  - b. Rockets and missiles
  - c. Chemical weapons
  - d. Biological weapons
  - e. Other end use controls

**D. Deemed exports**

1. Release or availability of controlled technology to foreign national
2. Technology Control Plan
  - a. Physical safeguards
  - b. Technical safeguards

- c. Administrative/managerial safeguards
- d. Visitation policies and procedures

**E. Transaction compliance**

- 1. Evaluation of implications for foreign outsourcing
- 2. Evaluation of implications for foreign investments
- 3. Screening of counterparties
- 4. Contractual compliance representations

**IX. Federal Communications Considerations:  
Federal Communications Licenses and Authorizations:**

**A. FCC License Triggering Events.**

- 1. Internal Corporate Reorganizations
- 2. Acquisitions
- 3. Sale of Company
- 4. Merger
- 5. Real Estate Transactions

**B. FCC License Review Procedures.**

- 1. Audit the following Licenses and Current Ownership Information of same if a triggering event has or will occur:
  - a. Common carrier licenses (Federal and state)
  - b. Experimental wireless licenses
  - c. Microwave licenses
  - d. Private carrier licenses

2. Confirm ID numbers for licenses
3. Calendar for license renewals
4. Due diligence procedures for authorization of license assignments and transfer of control
5. Employee education
6. FCC regulatory communications strategy and procedures

**C. FCC Equipment Authorizations**

1. Audit of equipment
2. Responsible company official
3. Labeling language and rules
4. Marketing and demonstration guidelines
5. Notification of merger, acquisition, or name change