IE-IPipp26

Invention licence agreement

Contents

1. Definitions
2. Interpretation
3. Warranties for authority
4. Relationship of parties
5. Entire agreement
6. Licensor's representations as to Intellectual Property
7. The licence of [Excalibur]
8. Licence of the Supporting IP
9. Third Party IP
10. Protection of Licensed Material
11. Royalty calculation
12. Third party infringement
13. Continuing improvement of Licensed Material
14. Product Updates
15. New Intellectual Property
16. Derived Products
17. Training provision
18. Confidential Information
19. Indemnity by Licensee
20. Indemnity by Licensor
21. Indemnification process
22. The measure of damages
23. Publicity / Announcements
24. Miscellaneous matters

Schedule 1: Description of [Excalibur]
Schedule 2: Supporting IP
Schedule 3: Third Party IP
Schedule 4: Press release
Schedule 5: Training provisions

This agreement is dated: [date]

And made between:

[ABC Limited], a company incorporated in Ireland [under registered number [number] and] whose registered office [redacted] [[redacted]] ([redacted] “[redacted]”); [redacted]

[DEF Ltd], a company incorporated in Ireland [under registered number [number] and] whose registered [redacted] [[redacted]], ([redacted] “[redacted] ”).

It is now agreed as follows:

1. Definitions

“[Excalibur]”	means concepts, designs, drawings, suites of software programmes and other Intellectual Property created by the Licensor to be used to [[redacted]] [redacted] 1 .
“Confidential Information”	means all information about the parties to this agreement, including any information which may give a commercially competitive advantage to any other person. It does not include information that it is reasonably necessary to disclose to a customer or other person [redacted] . [redacted] :
	information about staff, their performance and [redacted] ,
	data or information relating to suppliers, product plans, marketing strategies, finance, performance, operations, customer [redacted] , [redacted] , [redacted] , [redacted] ;
	information about the Intellectual Property, the Know-how and all [redacted] ;
	information created or arising from this agreement;

© Andrew Taylor and Net Lawman Ltd

information owned by a third party and in respect of which a party [redacted]-[redacted].

information, comment or implication published on [redacted].

data or information relating to processes, formulae, procedures, designs, drawings, apparatus, [redacted], [redacted];

information about the Intellectual Property and [redacted]-[redacted].

It does not include information that it is reasonably necessary to disclose to a customer or other person in the usual course [redacted].

“Derived Product” means a software product or text or other material in any medium which is based on or originated, [redacted], [redacted].

“DP Rights” means intellectual property rights in a Derived Product.

"Intellectual Property" means intellectual property of every sort, whether or not registered or registrable in any country, including intellectual property of kinds coming into existence after today; and including, among others, patents, trademarks, unregistered marks, designs, copyrights, software, domain names, discoveries, Know-[redacted], [redacted], [redacted].

“Know-how” means scientific or technical information, and other procedures and ways of working and organising [redacted].

“Licensed Material” means all Intellectual Property in [Excalibur] together with the Supporting IP [redacted].

© Andrew Taylor and Net Lawman Ltd

"Market"	means the market for [agricultural machinery / unmanned aerial vehicles / food processing machinery, or as the case may be. *Enter complete and clear statement of industry and application. If longer than* 100 [redacted] *,* [redacted] *]* [redacted] *[* [redacted] *]*
"Royalty"	means the sums payable from time to time [redacted].
"Supporting IP"	means all Intellectual Property which is necessary or desirable for the operation and use of [Excalibur] but which is identifiably separate in [redacted] . [redacted] 2.
"Third Party IP"	means Intellectual Property owned by some person other than the parties, which has been incorporated [redacted] [[redacted]] [redacted].
"Update"	means a revision, modification, improvement or corrected version of the Licensed Material, developed by the Licensor, [redacted] .

2. Interpretation

In this agreement unless the context otherwise requires:

2.1. a reference to one gender shall include any or all genders and a reference to the singular may be interpreted [redacted].

2.2. a reference to a person includes a human individual, a corporate entity, a partnership, a governmental authority [redacted].

2.3. a reference to a paragraph or schedule is to a paragraph or schedule to this agreement unless the context [redacted] . [redacted].

© Andrew Taylor and Net Lawman Ltd

2.4. the headings to the paragraphs and schedules (if any) to this agreement are inserted [redacted].

2.5. any agreement by any party not to do or omit to do something includes an obligation not to allow some [redacted].

2.6. a reference to the knowledge, information, belief or awareness of any person shall be deemed to include the knowledge, information, [redacted].

2.7. all money sums mentioned in this agreement are calculated net of VAT, which [redacted].

2.8. this agreement is made only in the English language. If there is any conflict in meaning between the English language version of this agreement and any version or [redacted], [redacted].

3. Warranties for authority

The Licensee warrants that:

3.1. it is properly registered and operates under the laws of the [country / state / province] of its incorporation and [redacted];

3.2. it is not subject to any order, decree or injunction by a court of competent jurisdiction which could prevent [redacted];

3.3. it is not aware of anything within its reasonable control which might or will adversely affect [redacted];

3.4. it is not insolvent and knows of no circumstance which would entitle any creditor to appoint a receiver or to petition for winding [redacted].

3.5. its performance of this agreement will not:

© Andrew Taylor and Net Lawman Ltd

3.5.1 conflict with or result in the breach of any provision of its constitution or any comparable document regulating the conduct [redacted];

3.5.2 conflict with any law or governmental regulation in any jurisdiction in [redacted];

3.5.3 constitute a default (or event which with the giving of notice or lapse of time, would become a default) [redacted].

4. Relationship of parties

4.1. Nothing in this agreement shall create a partnership, [redacted], [redacted].

4.2. Neither party shall have, nor represent that it [redacted], [redacted], [redacted].

5. Entire agreement

5.1. This agreement contains the entire [redacted].

5.2. No express or implied licence of the [redacted].

5.3. Conditions, warranties or other terms implied by [redacted].

5.4. Each party acknowledges that, in entering into this agreement, [redacted], [redacted], [redacted].

© Andrew Taylor and Net Lawman Ltd

5.5. As an exception to the last [redacted] , [redacted] :

[Enter list [redacted] *].*

6. Licensor's representations as to Intellectual Property

The Licensor [redacted] :

6.1. the Licensor is either the owner of the entire right, title and interest in and [redacted] ;

6.2. to the best of the knowledge of the [redacted] , [redacted] ;

6.3. [except as listed in Schedule [number]] no action has been [redacted] , [redacted] , [redacted] ;

6.4. use of the Licensed Material [redacted] ;

6.5. the Licensor shall not permit [redacted] [[redacted]] [redacted] .

7. The licence of [Excalibur]

7.1. The Licensee acknowledges that the Licensor owns all right, title and [redacted] .

7.2. For the licence fee of € [500,000], [receipt of which the Licensor [redacted]] [redacted] , [redacted] , [redacted]

© Andrew Taylor and Net Lawman Ltd

[redacted] [redacted] [redacted] [redacted], [redacted].

7.3. The Licensee shall not promote or sell [Excalibur] [redacted] / [redacted],] [redacted].

7.4. The Licensee must not sub- [redacted] [redacted] [redacted].

7.5. The Licensee may not allow any other [redacted].

7.6. This grant includes the right to create [redacted] / [redacted]. [redacted].

7.7. The licence may not [redacted], [redacted]:

7.7.1 that the Licensor approves [redacted] ([redacted]);

7.7.2 that the assignee enters into an agreement directly with the Licensor [redacted], [redacted] [redacted] [redacted].

7.7.3 that the Licensor is released from [redacted] / [redacted] [redacted].

7.7.4 the sub-licence is non-assignable.

7.8. So far as any goodwill is generated [redacted].

7.9. Expiry of any patent, trademark or third party [redacted] [redacted].

© Andrew Taylor and Net Lawman Ltd

8. Licence of the Supporting IP

8.1. The Licensor grants to the Licensee a licence in perpetuity to [redacted] [[redacted]] [redacted] - [redacted] .

8.2. No licence fee [redacted] .

8.3. It is not required that [redacted] .

8.4. Products derived from [redacted] , [redacted] .

9. Third Party IP

9.1. Third Party IP is listed in Schedule 3.

9.2. The Licensor has obtained all necessary permissions and [redacted] , [redacted] , [redacted] .

9.3. The Licensor now grants a licence in respect of [redacted] , [redacted] .

10. Protection of Licensed Material

The Licensee agrees that it will:

10.1. not claim nor register any intellectual property right [redacted] ;

10.2. not [within ten years] create, write or make [redacted] , [redacted] ;

10.3. not use in its own business, any [redacted] ;

© Andrew Taylor and Net Lawman Ltd

OR

10.4. not use the name "[Excalibur]" as a trade [redacted] , [redacted] [redacted] [redacted]] [redacted] .

OR

10.5. not use the name "[Excalibur]" [redacted] , [redacted] .

10.6. not represent that the Licensee is the owner [redacted] .

10.7. use its best endeavours to notify all persons who [redacted] , [redacted] .

10.8. [attach appropriately to every [redacted] [[redacted]] [redacted] [[redacted]]].

10.9. not remove any identification or reference [redacted] .

10.10. not publish any [redacted] , [redacted] :

10.10.1 denigrate the Licensor or [redacted] , [redacted] , [redacted] , [redacted] ;

10.10.2 reduce the value of [redacted] .

11. Royalty calculation

11.1. In this paragraph, “Net Sales Value” means [redacted] , [redacted] , [redacted] :

11.1.1 normal trade [redacted] ;

© Andrew Taylor and Net Lawman Ltd

11.1.2 the costs [redacted] ;

11.1.3 value added tax or other [redacted] ;

11.1.4 bank charges on sales receipts;

11.1.5 sales commission payable to third parties;

11.1.6 other transaction taxes.

11.2. The Royalty is [five] per cent of the [redacted] .

11.3. Royalty is payable for [redacted] [[redacted]] [redacted] [[redacted]].

11.4. On or before [day / date] in each [month / year] the [redacted] .

11.5. The Licensee shall pay [redacted] .

11.6. Royalty payment shall be made [redacted] .

11.7. Payments shall be considered to have [redacted] .

11.8. Payments due but unpaid on the due date shall bear interest at [redacted] .

11.9. Any tax which the Licensee is required by law [redacted] .

11.10. If money is withheld on account of tax, the Licensee shall [redacted] :

© Andrew Taylor and Net Lawman Ltd

11.10.1 a written receipt for the tax paid;

11.10.2 other documentation necessary or desirable to enable [redacted].

11.11. If tax is payable or money withheld, the cost shall be borne by the [redacted].

11.12. The Licensee shall keep complete and accurate records and books [redacted].

11.13. The Licensor shall have the right, at its own cost and expense, not [redacted] [redacted] / [redacted] [redacted].

11.14. Such accountants will have access on reasonable notice to the Licensee's records during reasonable business hours for the [redacted].

11.15. The accountants shall be instructed to disclose to [redacted].

11.16. If any underpayment by the Licensee is greater than [ten] percent (10%) of the [redacted].

11.17. The provisions of [redacted].

© Andrew Taylor and Net Lawman Ltd

12. Third party infringement

12.1. If either party becomes in any way aware of [redacted] .

12.2. The Licensor shall have the first right, but not the [redacted] .

12.3. The Licensor must notify the Licensee within [28] [redacted] .

12.4. The Licensee agrees to co-operate with the Licensor in any litigation or other enforcement action that the Licensor [redacted] .

12.5. All reasonable lawyers' fee and other expenses incurred by the Licensee in [redacted] .

12.6. The Licensee shall have the right to participate [redacted] .

12.7. The Licensee shall have no recourse against the Licensor arising out of the Licensor's handling of or decisions concerning [redacted] .

12.8. If the Licensor fails to take action on a matter which affects or [redacted] .

© Andrew Taylor and Net Lawman Ltd

12.9. The Licensee may at any time discontinue [redacted], [redacted].

12.10. If a party brings an action under this paragraph and subsequently ceases to pursue [redacted], [redacted].

12.11. All money recovered through any proceeding or claim, or from any settlement of it, shall belong to the party [redacted]. [redacted], [redacted], [redacted], [redacted].

13. Continuing improvement of Licensed Material

13.1. The Licensor will maintain [redacted].

13.2. The Licensee will co-operate with the Licensor so far as [redacted], [redacted].

13.3. If the Licensee shall reasonably so request, the [redacted], [redacted], [redacted].

13.4. Any trademark registered under the terms of [redacted].

13.5. If the Licensor declines to register a trademark requested [redacted], [redacted].

13.6. The Licensor will not abandon or allow to lapse any registration or application relating to the Supporting IP or other [redacted]. [redacted], [redacted]

© Andrew Taylor and Net Lawman Ltd

[redacted].

14. Product Updates

14.1. If [within five years of today] the Licensor updates [Excalibur] and grants a licence [redacted], [redacted], [redacted] [25] % [redacted].

14.2. The Update shall [redacted].

15. New Intellectual Property

15.1. In this paragraph, “New Intellectual Property” means Intellectual Property of any sort, [redacted], [redacted], [redacted] [redacted].

15.2. In the event that the Licensee creates, acquires or develops any New Intellectual Property, the Licensee hereby grants [redacted], [redacted] - [redacted], [redacted]. [redacted] - [redacted], [redacted] - [redacted].

16. Derived Products

16.1. When the Licensee creates [redacted], [redacted].

16.2. The Licensee now agrees that it will:

16.2.1 [redacted];

16.2.2 [redacted];

© Andrew Taylor and Net Lawman Ltd

16.2.3 [redacted], [redacted], [redacted];

16.2.4 [redacted].

17. Training provision

[redacted] 5 .

18. Confidential Information

18.1. [redacted], [redacted], [redacted]. [redacted], [redacted], [redacted]. [redacted], [redacted]:

18.1.1 [redacted], [redacted], [redacted];

18.1.2 [redacted], [redacted];

18.1.3 [redacted], [redacted], [redacted] [[redacted] . . . .].

© Andrew Taylor and Net Lawman Ltd

18.1.4 [redacted];

18.1.5 [redacted] ([redacted]);

18.1.6 [redacted] ([redacted]) [redacted].

18.2. This paragraph does not apply to disclosure:

18.2.1 [redacted];

18.2.2 [redacted];

18.2.3 [redacted], ([redacted]), [redacted]. [redacted];

18.2.4 [redacted];

18.2.5 [redacted];

18.2.6 [redacted];

18.2.7 [redacted]; [redacted], [redacted], [redacted], [redacted], [redacted];

18.2.8 [redacted];

© Andrew Taylor and Net Lawman Ltd

18.2.9 [redacted].

18.3. [redacted].

18.4. [redacted].

18.5. [redacted]5 [redacted].

18.6. [redacted].

18.7. [redacted], [redacted]-[redacted].

18.8. [redacted]-[redacted], [redacted]([redacted]).

19. Indemnity by Licensee

[redacted], [redacted]:

© Andrew Taylor and Net Lawman Ltd

19.1. [redacted];

19.2. its breach of this agreement;

19.3. [redacted], [redacted], [redacted], [redacted];

19.4. [redacted];

19.5. [redacted];

20. Indemnity by Licensor

20.1. [redacted].

20.2. [redacted]:

20.2.1 [redacted];

20.2.2 the Licensee has not contributed to the infringement;

20.2.3 [redacted];

20.2.4 [redacted]; [redacted]

20.2.5 [redacted].

20.3. [redacted]-[redacted], [redacted], [redacted]:

© Andrew Taylor and Net Lawman Ltd

20.3.1 [redacted]

20.3.2 [redacted]

20.4. [redacted]

20.5. [redacted]

21. Indemnification process

21.1. [redacted]

21.2. [redacted]

21.3. [redacted]

21.4. [redacted]

© Andrew Taylor and Net Lawman Ltd

21.5. [redacted].

21.6. [redacted]. "[redacted]" [redacted]. [redacted] [[redacted]], [redacted]. [redacted].

21.7. [redacted].

22. The measure of damages

22.1. [redacted].

22.2. [redacted].

23. Publicity / Announcements

23.1. [redacted].

© Andrew Taylor and Net Lawman Ltd

OR

23.2. No party shall:

23.2.1 make any public announcement; or

23.2.2 disclose any information; or

23.2.3 [redacted];

[redacted].

23.3. [redacted], [redacted].

23.4. [redacted]4, [redacted].

24. Miscellaneous matters

24.1. [redacted], [redacted], [redacted], [redacted], [redacted], [redacted]. [redacted]. [redacted].

24.2. [redacted].

© Andrew Taylor and Net Lawman Ltd

24.3. [redacted].

24.4. [redacted], [redacted].

24.5. [redacted].

24.6. [redacted], [redacted], [redacted].

24.7. [redacted] 2018 [redacted], [redacted], [redacted]. [redacted].

24.8. [redacted], [redacted], [redacted], [redacted]. [redacted], [redacted].

24.9. [redacted].

24.10. [redacted].

© Andrew Taylor and Net Lawman Ltd

24.11. [redacted], [redacted].

24.12. [redacted].

24.13. [redacted] - [redacted].

It shall be deemed to have been delivered:

[redacted]: [redacted];

[redacted]: [redacted] 72 [redacted];

[redacted] - [redacted] - [redacted]: [redacted] 24 [redacted] - [redacted]. [[redacted] - [redacted]. [redacted], [redacted]].

24.14. [redacted], [redacted].

24.15. [redacted], [redacted], [redacted].

24.16. [redacted], [redacted].

© Andrew Taylor and Net Lawman Ltd

24.17. [redacted].

24.18. [redacted].

24.19. [redacted], [redacted].

Signed by [personal name] on behalf of [Licensor name] as its representative who personally accepts liability for the proper authorisation by [Licensor name] to enter into this agreement.

Signed by [personal name] on behalf of [Licensee name] as its representative who personally accepts liability for the proper authorisation by [Licensee name] to enter into this agreement.

© Andrew Taylor and Net Lawman Ltd

Schedule 1: Description of [Excalibur]

© Andrew Taylor and Net Lawman Ltd

Schedule 2: Supporting IP

© Andrew Taylor and Net Lawman Ltd

Schedule 3: Third Party IP

© Andrew Taylor and Net Lawman Ltd

Schedule 4: Press release

© Andrew Taylor and Net Lawman Ltd

Schedule 5: Training provisions

© Andrew Taylor and Net Lawman Ltd

Explanatory notes:

Invention licence agreement

Paragraph specific notes:

Notes numbering refers to paragraph numbers.

1. Definitions

You should first decide on the contents of the document, then return to check what definitions are needed and whether they really [redacted].

The definition relating to the subject matter of the agreement requires particular care on your part. We have named your work “Excalibur”. You should now find and replace with [redacted], [redacted].

If you are selling a licence for a dating site in a particular country, you can easily define the scope of the licence. However, if you are licensing a travel booking service, like those used by airlines, you will certainly want to limit the scope of the licence very carefully. If you do not, you may find your licensee is allowing his clients to use it for airlines, railways, hotels, and even adapting it for bespoke cars. He may sell it. But not only may he use your software for a purpose [redacted], [redacted]. [redacted]-[redacted].

We have provided for a separate deal in respect of supporting IP from that relating to the main subject of your licence. Only you know whether you need to make different provisions for some part of your licensed system. We have given a name to the main product (Excalibur) and used “Supporting IP” to cover stuff that has be licensed [redacted]. [redacted]"[redacted]", [redacted].

You may also have to differentiate between the name you give to the package and any other name you might use to sell your own products. Be careful to avoid accidentally including in the definition of what you are selling, a name or software which [redacted], [redacted].

© Andrew Taylor and Net Lawman Ltd

By all means use the find/replace function in your word processor to change them. If you do change a defined term, make sure it [redacted].

2. Interpretation

Leave these items in place unless there is a good reason to edit or remove. Each of these items has been carefully considered in the context of this agreement and has been included for a purpose. [redacted].

3. Warranties for authority

The importance of these warranties is largely in removing a defence of "I did not realise" in the event of some error on the part of a party. These matters [redacted].

4. Relationship of parties

We have no comment

5. Entire agreement

This paragraph prevents a party from later saying he was relying on some other document or web site or what was said. These provisions are more important in an international trade agreement, when another country may have slightly different law on, for example, implied conditions. If other documents are to be [redacted], [redacted], [redacted].

6. Licensor's representations as to Intellectual Property

This is your document. You do not have to offer anything more than the barest of licences. However, we assume that your counter party is as intelligent and well advised as you are. If so, it will require confirmation of some of these points. You can edit now, or take them out and put some back only after your counter party has [redacted]. [redacted]. [redacted].

7. The Licence of [Excalibur]

This is the most important paragraph in the agreement because it records the essence of your deal. A licence may be limited in time, space, product, use and many more. Please do not rely on our having covered every [redacted]. [redacted]

© Andrew Taylor and Net Lawman Ltd

[redacted].

If your work is extremely technical you could be able to control to [redacted].

A limitation on sale outside the specified market is difficult to enforce. You should use it only where your product makes it [redacted].

8. Licence of the Supporting IP

As we mentioned under “defined terms”, if you do not wish to specify supporting IP separately, delete this paragraph. If you do need to differentiate two (or more) parts of the [redacted], [redacted].

9. Third Party IP

Care is needed in dealing with third party software. Most websites include items bought in, possibly downloaded from the Internet and subject to non-negotiable terms and conditions. [redacted], [redacted] “[redacted]” [redacted].

Nothing you say here is binding on the supplier of the third party software, but [redacted].

10. Protection of Licensed Material

When you grant the licence, you specify exactly what it covers. This paragraph places restrictions on the licensee in many areas. We suggest that you [redacted]. [redacted], [redacted], [redacted].

We now mention the last sub-paragraph. It is an absolute defence to a defamation claim that the words complained of are true. However, this might charge; it may [redacted]; [redacted]. [redacted].

11. Royalty calculation

© Andrew Taylor and Net Lawman Ltd

The agreement assumes that payment will be by way of royalty, with an advance [redacted].

We have provided a complete proposal. [redacted].

12. Third party infringement

It is not only your licensee who may cause problems for you. Infringements leading to litigation are not common, but when they happen, the usual short notes found in legal agreements are hopelessly inadequate. [redacted].

13. Continuing improvement of Licensed Material

Edit this paragraph according to your intentions. We have used the broad word “maintain” to cover “whatever needs to be done to keep it working”. [redacted].

14. Product Updates

If you buy a licence today for a simple computer application, you will probably receive a message every year or so to invite you to buy the “upgrade”. It is assumed in this licence agreement that your licensee may intend [redacted].

15. New Intellectual Property

The same considerations apply here as to updates. In this case however, it is your licensee [redacted].

16. Derived Products

Derived products are the source of litigation the World over. The problem is to define what is derived and what is original. Western courts are reluctant to support any restriction on trade, so there is a tendency in most jurisdictions to

© Andrew Taylor and Net Lawman Ltd

favour the party who is using [redacted] . [redacted] , [redacted] . [redacted] , [redacted] . [redacted] . [redacted] .

We have favoured the licensor strongly in the wording of this paragraph. You may agree to share the value or to change the circumstances so that both sides benefit from derived products. Our advice is [redacted] " [redacted] ", " [redacted] - [redacted] " [redacted] , [redacted] , [redacted] , [redacted] .

17. Training provision

A reminder that you may need [redacted] .

18. Confidential Information

A useful provision for both sides.

We have included this paragraph because a business has so many [redacted] .

You should consider not only what you expect to disclose but what the other [redacted] " [redacted] " [redacted] .

19. Indemnity by Licensee

Very widely worded to [redacted] . [redacted] .

20. Indemnity by Licensor

A limited indemnity. This at [redacted] , [redacted] , [redacted] .

We have added [redacted] .

21. Indemnification process

© Andrew Taylor and Net Lawman Ltd

This is a thorough “process” [redacted].

22. The measure of damages

The first sub-paragraph gives contractual force to [redacted].

The second sub-paragraph also reinforces what may already be the [redacted].

An order of the Court [redacted].

23. Publicity / Announcements

This paragraph is largely to protect from [redacted].

24. Miscellaneous matters

A number of special points. We have identified each of these as [redacted].

Schedule 1- Description of [Excalibur]

It is absolutely essential that you define the subject [redacted].

Schedule 2- Supporting IP

The same comments apply as for Schedule 1.

© Andrew Taylor and Net Lawman Ltd

Schedule 3- Third Party IP

The same comments apply as for Schedule 1.

Schedule 4- Press release

Attach press release.

Schedule 5- Training provisions

Delete if there is no training provision

End of notes

© Andrew Taylor and Net Lawman Ltd