The Information Technology Transaction

A Practical Introduction

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Discaimer: Each information technology transaction is unique. As a result, no essay such as this can possibly address all the contingencies, all the distinct technical, business and legal questions that each deal may entail. For that reason, the author disclaims all liability relating to or arising from reliance upon the information contained herein. This work is offered solely for reference and instructional purposes. Readers are urged to discuss the specific circumstances of their transactions with competent legal counsel.

INTRODUCTION

The Information Technology ("IT") transaction seems, at first glance, rather simple. Buy some computers, plug them in and watch productivity soar. At least that is what happens in the advertisements from the hardware and software vendors. In reality, we have all seen computers become expensive plant stands because they failed to perform the required tasks or proved too difficult to use.

Despite what vendors would have us believe, and despite what customers would often like to believe, even the latest and greatest hardware and software cannot magically solve all business problems. Rather, they are simply tools, and primary responsibility for selecting the proper tools rests with the customer, aided by vendor's expertise and experience. After all, customer has the best knowledge of customer's situation and needs. Therefore customer should have the best understanding of the business problem to be solved. Indeed, as with servers and monitors, routers and twisted pair tamers, the agreement – the written document – is simply another tool intended to help solve a specific business problem. If there is no problem, there is no need for the hardware, the software, or the agreement. At the same time, if the problem is poorly defined, or poorly understood, the future of the project is not bright. This work is intended to serve as a practical guide to designing, negotiating and drafting agreements that solve business problems efficiently and cost effectively. After all, the goal of the IT agreement is the same as the underlying IT project - to solve problems, not create new ones.

This essay is not intended to be the definitive study of this subject. That would require a much longer work. Rather, we have attempted to explore those issues we regard as central to a successful IT transaction. In addition, we have sought to illustrate a number of issues which, while important, are frequently overlooked or misunderstood.

DUE DILIGENCE

Expansive, detailed, even exhaustive due diligence is the foundation of successful IT projects. Such examination will, if properly performed, disclose the complexity of the project and help prevent unpleasant “surprises.” The same attention should be devoted to vendors or suppliers, to identify the best and most cost-effective candidates. IT projects should be launched only after the business need has been established and clearly identified.

IT projects typically begin with a simple question: “How do we accomplish X?" That question conceals a number of related questions:

- Do we need X or merely want it?
- What will it cost?
- What would it cost to do without X?
- What is the estimated return on investment?
- What is the estimated total cost of ownership?
- Should we act now, or wait six months, when, the vendor promises, the next generation product will be available and will set new standards for usefulness?

Clear identification of the problem to be solved is vital to success. Without a clear goal, IT projects run the risk of becoming exercises in research and development, with rising costs and frequent delays. "We need an e-mail system capable of handing files up to X size and secure against 1, 2 and 3" is a much better assignment than "We need the best possible e-mail system." The latter is terribly ambiguous. Does “best” mean “easiest to use” “least expensive” or “most secure”?

The discussion of e-mail systems probably began with questions such as "Is our e-mail system adequate for our current needs?" Or "What are the weaknesses of our current system?" Answering either question was probably a separate project, and careful completion of that project was a necessary foundation for a successful overhaul of the current system.

Once the problem has been identified - once the goal has been defined - more questions can be addressed:

- Can we afford it?
- Can we afford to do without it?
- Can our in-house team do the work promptly and cost-effectively?
- Who are likely vendors?
- What experience do they have?
- What do their past customers say about their work?
- What do they cost?
- How have they reacted to our standard contract template?
- Do they have the personnel to perform our project, and every other project they have under way, in a timely manner?
- Will they commit key employees to our project, full time, until it is completed?
- Will they agree to in our payment terms?

All this research consumes time - time to research the problem, time to research solutions, time to research vendors, but our grandmothers were right: Haste does make waste.

Once the necessary homework has been completed, it is possible to make an informed vendor selection. It also equips customer to negotiate with vendors from a position of strength, creating an opportunity to negotiate with several vendors at once, in search of the best deal. Telling a vendor "The contract is yours; now let's talk terms and pricing," gives away an enormous amount of

leverage. Why should vendor make any further material concessions if they know they have won the competition?

Neither is it inappropriate to press for concessions until vendor answers "No," and stands by the response. "No" does not mean that you've made an offensive request, but that you've reached that vendor's limit. Perhaps a deal within those limits is acceptable; at least you will be reasonably comfortable that you have "left nothing on the table." Alternatively, another vendor may be able to offer a better deal.

With the problem identified and the vendor selected, develop a detailed implementation plan. Spell out what will be done, when, and by whom.

The core of a successful contract, and thus a successful project, consists of:

- Clear time lines;
- Defined tasks;
- Defined responsibilities;
- Change controls to deal with surprises;
- Acceptance testing standards and procedures;
- Dispute resolution procedures;
- Payments tied to timely acceptance/completion/delivery;
- Adequate warranties or maintenance to help ensure that things will not fail the day after the vendor goes home.

INTELLECTUAL PROPERTY

The principle protections for hardware and software products are patent and copyright, respectively. Patent protection is also available for software in some circumstances, but that is outside the scope of this work.

Patent prevents customers from reverse engineering a vendor's product and then building copy after copy, without any further payments to the vendor. In a similar vein, copyright prevents users from making unauthorized copies of software, which would also result in a loss of sales to vendor. Such customers might argue that they are merely being aggressive business persons attempting to control costs. The vendors, who presumably spent a great deal of money to develop the products, would view customer's conduct as theft. The law would agree with the vendors and the penalties for infringement can be severe.

There are other types of intellectual property, such as know-how, trade secrets and trademarks. Typically these must be addressed only in the most complicated IT agreements.

Within the context of the "standard" IT agreement, intellectual property ("IP") comes in three main varieties:

- Preexisting. Owned by, or licensed to, one of the parties before the project begins.
- Jointly developed. Developed by the parties, working together, as part of the project.
- Custom developed. Specifically developed by one party at the request of the other, or pursuant to requirements of the agreement.

But let's not forget:

- Developed by vendor in the course of the project, but not specifically requested by customer or required by the contract (e.g. vendor identified a problem and created a solution that might be useful in other projects or to other customers).
- Developed by one party, as part of the project, but using intellectual property or confidential information of the other party.

Clearly, care must be taken to sort out ownership of the various intellectual property assets.

The question of who owns an IP asset can be complicated. The default rule is that IP belongs to the person who creates it, not to the person who paid for it. (There is an exception for works created in the course of employment, known as "works for hire.") If customer hires vendor to create Killer Application ABC, without obtaining a proper assignment of IP rights, vendor, not customer could ultimately own the product. Further, if vendor gives the task to Programmer X, again without proper assignment (and without making sure that the work for hire rules apply), X could ultimately own the product. Given that software applications can generate millions in revenues, the question is not a trivial one.

Happily, most IT agreements involve only preexisting and custom developed software, typically in the form of:

- IP owned by or licensed to vendors; and,
- IP developed at the specific request of customer as part of the project.

Customers need to take particular care to ensure that:

Vendor grants all the rights Customer wants and needs.

Typical language:

Vendor hereby grants Customer a perpetual, nonexclusive license to use

the Software listed in each Order. Vendor shall retain ownership, title, and all other rights in the Software not expressly granted herein. For purposes of the license to use the Software, the term "Customer" shall be deemed to include Customer and its existing or future related affiliated and subsidiary companies, including subsidiaries of affiliated companies. Nothing in the preceding sentence shall be deemed to expand any site limitations or copy limitations associated with this license.

Comment:

Note the second sentence: Vendor retains control of all rights not expressly granted. In the context of IP, there is no such thing as "implied use rights." If a right is not granted in the contract, customer does not have it.

Vendor and vendor's personnel make appropriate assignments of IP rights in custom products.

Typical language:

Customer shall retain title to the products of the Services provided by Vendor under this Agreement. All such work product shall be deemed, and is agreed to be, a "work for hire." To the extent that any work product is deemed not to be a "work for hire," Vendor hereby irrevocably assigns to Customer all right, title and interest to such work product, including, without limitation, all intellectual property rights. Vendor shall not permit any of Vendor's personnel or sub vendors to work on any projects for Customer without having first delivered to Customer assignments of all rights and interest in or to the resulting work product, which assignments shall be in a form acceptable to Customer in Customer's reasonable discretion.

Comment:

The last sentence, regarding assignments from individuals, is quite important. If the work product is not a "work for hire," then the IP rights belong to the employee and cannot be assigned by vendor.

Customer is protected against third party infringement claims

Given the complexity that can surround IP ownership, lawsuits over it are not uncommon. To avoid the expense and distraction that result from such suits, customers typically require that vendor defend and indemnify them against such claims.

Typical language:

Vendor agrees that it will, at its own expense, defend any suit or proceeding instituted against Customer and indemnify Customer against any award of damages and costs made against Customer by a final judicial judgment in any such action insofar as the same are based on any claims that the computer products or documentation provided hereunder constitutes an infringement of any United States Letters Patent, copyright, trade secret, or other proprietary right of any third party.

IP disputes can be expensive. A careful customer will ask for proof that vendor has the financial resources, or appropriate insurance, to bear the cost.

CONFIDENTIALITY

It sometimes seems that the nondisclosure agreement ("NDA") has become a standard part of business transactions, to the point at which they are presented and signed as a prelude to any discussions. Routinely signing such agreements is cause for concern, for an NDA is not "just a formality," but a binding agreement that creates a number of specific obligations and a variety of potential exposures.

Consider: Companies A and B are each working to solve problem X. In the hope that "two heads are better than one," they discuss pooling their resources. The top scientist for A reviews B's materials and decides B is completely off track and cannot help solve the problem. As a result:

- A declines to move forward with B; and
- Six months later, A solves X and looks forward to large profits.

Has A made an improper use of B's materials? How much time and money will be spent litigating the question? How would A demonstrate that they did not use B's information?

Other difficulties presented by "standard" NDA language:

- Requiring that confidential information be protected indefinitely. What is "confidential" today may be general knowledge in a year and obsolete in three. Why bear the administrative burden of protecting confidential information for longer than necessary?
- Trade secrets need to be protected indefinitely, but most "confidential information" does not rise to the level of trade secret.
- Defining "confidential information" as "all information" exchanged.

Would that include office addresses and telephone numbers? Stacks of information that is outdated, irrelevant or already in the public domain? If information is truly valuable to the disclosing party, it should be worth the time they would need to sort and identify it.

Typical language:

Customer and Vendor hereby agree to protect Confidential Information received from other against unauthorized use or disclosure. Each shall use the same care it uses to protect its own commercially valuable non-public information, but, in no event, less than commercially reasonable care.

"Confidential Information" shall mean information that is clearly marked or labeled as such at the time of disclosure. If Confidential Information is disclosed orally or visually, it shall be identified as "confidential" at the time of disclosure and its confidential shall be confirmed in writing within ten (10) days of disclosure.

Defining what is not confidential is as important as defining what is:

Typical language:

The restrictions and obligations of this Section will not apply to information that: (a) is already publicly known at the time of its disclosure by Customer; (b) after disclosure by Customer becomes publicly known through no fault of Vendor; (c) Vendor can establish by written documentation was independently developed by Vendor without use of or reference to Customer's information; or (d) Vendor can establish by written documentation was in its possession at the time of its disclosure by

Customer.

Other important provisions:

- Who may use the Confidential Information?

  Employees, agents and contractors who

  - Have a need to know;
  - Who are told the information is confidential;
  - Who are bound by (or agree to) a separate NDA.
- Define the permitted uses of the Confidential Information:
  - Is it being exchanged for evaluation purposes or as part of a joint effort to solve X?
- Permit either side to request a description or summary of any information before accepting it.
  - Using this approach permits both sides to decline information if they believe it unnecessary, already known to them, or touches upon work they already have underway.

All these safeguards only serve to limit the burdens and potential exposures that arise from accepting the confidential information of another. Perhaps the best safeguard is to simply not accept confidential information unless it is absolutely necessary. Therefore, any examination of a draft NDA should begin with a simple question: "Can we do this deal without any disclosure of confidential information?" If the answer is "yes," there is no need for an NDA. If the answer is "No," the disclosures should be kept to the minimum needed to complete the deal. When it comes to accepting secrets from someone else, less truly is more.

STATEMENT OF WORK

The legal terms and conditions of an agreement are probably not the most important part of ensuring success. That burden falls on the statement of work, which should detail who will do what and when, in painful detail.

- Who? Presumably the vendor, unless the task is one only the customer can perform, and which is specifically assigned to customer. Take the time to map out all the major tasks. And subtasks. Set priorities. Assign responsibility. Leave no ambiguity.
- What? Everything required to complete the project. Include language that vendor is responsible for all tasks, specific or implicit, unless they are clearly assigned to customer.
- When? As quickly as possible. If obstacles arise, they need to be brought to customer's attention immediately.

If the project is large or complex consider using phases or milestones to gauge progress. An absolute essential, however, is acceptance testing standards and procedures for each milestones or deliverable. Payment for each milestone or deliverable should be contingent upon successful completion of those tests.

Acceptance Tests

Acceptance standards and procedures must be mutually agreed, and vendor must be given a reasonable opportunity to cure any defects. Such agreement protects vendor and customer. Customers are protected against products that don't perform as promised; vendors protect against customer's arbitrary judgment.

Typical language:

> *<u>Acceptance Tests:</u>*
>
> *After Vendor installation, Customer shall begin its testing and perform such tests as are reasonable and appropriate, including, without limitation, the following tests (individually, an "Acceptance Test" and collectively, the "Acceptance Tests"):*
>
> - *"Initial Component Testing" to determine whether the System has been properly installed and is operating in accordance with applicable System Specifications;*
> - *"Final System Test" to ensure that all System operates in accordance with applicable System Specifications.*
>
> *<u>Failed Acceptance Testing:</u>*
>
> *In the event the System fails to meet the Performance Specifications, then:*
>
> - *Customer shall provide Vendor with written notice of such failure and describe it in detail.*
> - *Within ___ days of receipt of notice, Vendor shall commence work to cure the reported failure, and shall complete such work within ___ days.*
> - *Upon completion of Vendor's cure efforts, Customer shall repeat the Acceptance Tests.*

In the event the System fails Acceptance Testing more than twice, Customer many, in its sole discretion, elect to:

- *Elect to reject the System in its entirety, and receive a full refund from Vendor;*
- *Reject those portions of the System that failed and receive from Vendor a refund of the fees paid for such portions.*

Other essential features of a statement of work:

- Key personnel. Those vendor personnel, identified by name, committed full-time to the customers project.
- Project governance. Who is in charge of the project for vendor? For customer? How often will they meet? How and how often will vendor report progress? How quickly will obstacles are the ladies be reported and how (and how quickly) will they be resolved?

The Management Team

Each contract should clearly define the tasks of customers and vendor. Each contract should also identify who is responsible for managing the project, either by name or title. This individual should be responsible for communications with the other party, monitoring progress and supervising the performance of his or her project team. The precise make up of the management teams depends, of course, on the size and complexity of the project. The goals of the team, however, will remain the same:

- Keep the project on track;
- Facilitate communication between vendor and customer;
- Respond to the unforeseen or to requests for exchange.

The management team should bear ultimate responsibility for performance of the project. More importantly, no material changes to the project shall be made without the informed, written approval of both teams.

Change Control

"Project creep" is one of the most insidious threats to project success. Without appropriate controls, bells and whistles may be gradually added, resulting in increased costs and delayed completion. Such "creep" is not solely the product of vendor's shrewd "up-selling" of new features or new services. They may just as easily be requested by a member of customer's management who has become enchanted with some new technological wonder. Strict change control, which requires customer management to give informed consent to any changes, is a necessary safeguard against such additions.

Wise change control provisions include:

- Changes to be requested or recommended in writing;
- Vendor to estimate the time and cost of implementing each propose change;
- Customer shall not be liable for any changes made without the written consent of customer's management team.

Of course, the changes should be documented in detail (price, timetable, acceptance criteria, etc.) and incorporated as an amendment to the contract.

PAYMENTS

The question of when a vendor should be paid highlights the different interests of vendor and customer. Vendors wish to be paid up front, whenever possible, or at least on specified dates (e.g. progress or milestone payments 45, 60, and 90 days after signing the contract). Customers are better served if they hold the money as long as possible – paying a little up front, making progress payments as parts of the project pass acceptance and a large final payment when all vendor's work is finished (and has been successfully tested). Customers surrender a large part of their leverage when they fail to tie payment to successful performance. Indeed, customers may even consider reducing payments for late performance. Vendors, like everyone else, tend to perform better when they have something at stake.

It is also possible for disputes to arise over the amount due on an invoice or invoices. The problem may be a simple mistake in the arithmetic or it might flow from a more substantive disagreement over the quality of work and the amounts due. To prevent such disputes, whether large or small, from derailing the project, the contract should provide a way to deal with them.

Typical language:

Customer may withhold payment of any invoice or part thereof that Customer disputes, provided that:

- *Customer shall pay all undisputed balances when due; and*
- *Customer shall promptly give Vendor notice of the dispute, specifying the amount at issue and the reason(s) for Customer's objection.*

Such withholding shall not constitute a breach of this Agreement or permit Vendor to suspend or interrupt services to Customers.

Any dispute Vendor and Customer's project teams cannot resolve between themselves shall be resolved using the dispute resolution process set forth in Section ______.

Withholding payment may also be used as an interim remedy to prompt vendor to cure a partial breach.

Typical language:

In the event Vendor is in default of its duties or obligations under this Agreement and it fails to cure the default within fifteen (15) days after receipt of written notice of default from Customer, Customer may, without waiving any other rights under this Agreement, elect to withhold from the payments due to Vendor under this Agreement during the period beginning with the 16th day after Vendor's receipt of notice of default, and ending on the date that the default has been cured to the reasonable satisfaction of Customer, an amount that is in proportion to the magnitude of the default or the service that Vendor is not providing, as determined in Customer's reasonable discretion.

LIMITATION OF LIABILITY

No matter how well the parties may plan and, occasionally, no matter how well they perform, projects do fail. The parties may respond by wrapping it up and sharing out the losses as fairly as possible. Or the matter may find its way to court, complete with claims for many, many dollars. Because jury awards can be unpredictable, if not irrational, companies routinely attempt to limit their liability by adopting language excluding certain types of damages from any award.

Typical language:

> *In no event shall either party hereto be liable for any lost profits, loss of business, business interruption or any special incidental exemplary, consequential or punitive damages.*

Comment:

Such language contains at least two weaknesses:

- It is filled with “magic words” that only the lawyers may understand, opening the way to extended argument as to what is or is not a “consequential damage.”
- The jury may be confused by, or ignored, all the legal hairsplitting and craft an award that the jury members regard as “fair.”

As an alternative, consider:

> “In no event shall the liability of either party hereto for any claims arising from or relating to this Agreement exceed $__________, no matter how such claim is styled.”

Language such as this permits both sides to quantify and manage their risk, either by setting up cash reserves or via insurance.

Such caps, however, are seldom absolute. Generally claims for personal injury, breach of confidentiality and infringement of intellectual property rights are excluded from any limitation of liability.

WARRANTIES

IT systems are complicated – often far more complicated than many of us realize. As a result, they may malfunction, no matter how careful the parties are and no matter how diligent their testing. Indeed, acceptance testing itself may, at times, provide misleading results. Such testing is commonly carried out on systems or in an environment specially designed to support the new product or services, and run by individuals with detailed knowledge of the product. When moved to a production environment, run by non-experts, problems may arise. For this reason customers are routinely counseled to ask for a warranty (also known as "free maintenance" to cover this transition.

Typical language:

> *Vendor hereby warrants that for 90 days after the System is first put into productive use, it shall operate in accordance with the System Specifications. In the event the System fails to so perform, Customer shall give written notice to Vendor, who shall have ___days thereafter to affect a cure. In the event Vendor is unable to affect a cure within the allotted time, then Customer may, at its sole discretion, elect to:*
>
> - *Effect the cure using Customer's internal resources or by engaging a qualified third party. In either case, the actual expense shall be borne by Vendor; or*
> - *Reject the System, or the malfunctioning portions, in which case Vendor shall promptly refund all monies paid for the rejected portion(s).*

Comment:

Three aspects of this language should be noted:

- The warranty begins with first productive use, not upon delivery, installation or even completion of acceptance testing. For practical reasons, though, vendor may require that the warranty will lapse if customer unduly delays moving from testing to productive use.
- The warranty is tied to System Specifications. These specifications should be mutually agreed and as objective as possible.
- Vendor is given fixed time periods to act. If vendor misses the deadline, customer is given specific alternatives. Customer is thus protected against delays, and disputes over what is, or is not, a "timely" response.

DISPUTE RESOLUTION

Litigation is expensive, time consuming, seldom ends in "total victory" and often leaves the underlying business problem unresolved. It is therefore useful to add provisions requiring representatives, at higher and higher levels of authority, to meet to discuss any issue before litigation can begin. When the "internal resolution ladder" is exhausted, the parties may agree to arbitrate, or one may elect to file suit.

Note that contractual agreements to arbitrate are virtually mandatory. If the contracts say the parties "are to" or "will" arbitrate, the courts will generally enforce that language. Yet arbitration is not always the best venue to settle a dispute; for instance, if one party is not acting in good faith. Better, therefore, to specify that the parties may agree to arbitrate, and to spell out the rules that will control if they make that decision.

Typical language:

Informal Resolution

If a dispute arises under this Agreement, then within three (3) business days after a written request by either party, Customer's Project Manager and Vendor's Project Manager shall promptly confer to resolve the dispute. If these representatives cannot resolve the dispute or either of them determines they are not making progress toward the resolution of the dispute within three (3) business days after their initial conference, then the dispute may be submitted to the individual designated by Customer and the vice president designated by Vendor, who shall promptly confer to resolve the dispute. If the individual designated by Customer and the vice president designated by Vendor cannot resolve the dispute, or either one of them determines that they are not making reasonable progress toward resolution of the dispute within five (5) business days after the dispute is first submitted to them, then the issue shall proceed pursuant to the Formal Resolution process described in Section ______ (Formal Resolution).

Formal Resolution

A fact finding and dispute resolution panel shall be convened if either the individual designated by Customer or the vice president designated by Vendor notifies the other in writing of a request for formal dispute resolution ("FDR").

The Dispute Resolution Panel. The FDR panel shall consist of three persons. The panel shall be convened ad hoc and there shall be no standing or ex officio members. The individual designated by Customer and the vice president designated by Vendor shall each appoint one person, and their two appointees shall jointly choose a third person who possesses legal and/or technical skills and experience relevant to the dispute. The individual designated by Customer and the vice president designated by Vendor shall each name their respective appointees within five (5) business days after delivery of notice by a party to initiate FDR. The appointed members of the panel shall choose the final member of the panel within five (5) business days after the date the last of the two appointed members was appointed. If the appointed panel members shall fail to agree upon a mutually acceptable third panel member in the time provided herein, then the parties agree that the third panel member shall be from the American Arbitration Association and selected pursuant to the Association's rules for commercial arbitration.

Comment:

Under this language, arbitration is mandatory. The Federal Arbitration Act, and most similar state laws, require the courts to enforce any agreement to arbitrate in a commercial contract. As a result, if A were to sue B, B would cite this Formal Resolution language and ask the court to order arbitration. The court would be required to grant that request and to enforce the award from the arbitration panel.

As a result, some companies will not agree, in advance, to arbitration. They prefer to reserve the right to decide on a case by case base whether to go to arbitration or to go to court.

Typical language:

In the event Informal Resolution fails to resolve a dispute within ______ days, either party may elect to pursue its claim in court, or the parties may agree to submit the matter to arbitration. In the event of arbitration, the proceeding shall be before a single, independent arbitrator. Selection of the arbitrator and the conduct of the proceedings shall be governed by the American Arbitration Association's rules for Commercial Arbitrations.

TIME IS OF THE ESSENCE

Delayed completion of a project can have significant consequences for customer. Business opportunities may be lost, inefficient practices may continue longer than necessary, major initiatives may be disrupted. While no one would expect an IT project to be completed without some surprises or delays, customer and vendor must both commit to keeping as closely as possible to the agreed time table. "A day here and a day there" of delay can quickly add up to significant delays.

Typical language:

> *The parties hereby agree that time is of the essence in the performance of this Agreement. Therefore, no delay in performance by Vendor shall be excused unless such delay results directly from:*
>
> - *A Force Majeure event; or,*
> - *The acts or omissions of Customer.*

CONCLUSION

IT projects may be inherently complex, but they are not all destined to be “overdue and over budget.” Neither must every disagreement lead directly to the courthouse. Rather, careful research and careful planning can produce a project plan based on reasonable assumptions and which anticipates and avoids most of the unpleasant surprises that result from incomplete planning. Similarly, the final contract is not “just a formality.” A well drawn agreement will reduce the possibility of dispute by clearly defining the obligations of both sides. More, it will incorporate clear standards (such as acceptance testing) and a series of interim remedies (such as withholding of disputed balances), designed to prevent the entire project from being put at risk by disagreement over one portion.

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Patent License Agreements Line By Line, Kelly L Frey, Sr. and Thomas J. Hall. Aspatore Press, 2008, ISBN: 978-0-314-19923-2.