



# IP & CONTRACTS

## LESSON TOPICS

### 1. Why is it Important?

Being an entrepreneur and running a business in this day and age is very different from ten years ago. We are now using independent contractors specialty shops and doing things in a more contractive, intensive way. This creates a lot of rights and complications you need to be aware of.

### 2. Copyright

Copyright applies to the creative work another is hired to do for you, such as photography, website design, or a brand scheme. If you're using somebody to develop something for you, they are generating copyright rights in their work. They are the authors of copyright for the services or the products they provide for you. You want to have lots of things in your initial contract for anybody in which you've secured creative services. They should bear the liability for the different types of things they created and the sources that they got, even with software. If you have somebody who's building software of open source licensing software base, then you want them to be responsible for the rights that they've secured, the upgrades, and the updates that they need to maintain.

### 3. Trademarks

A trademark is a symbol that distinguishes one company's goods or services from those of other companies. Intellectual property rights safeguard trademarks. Suppose your brand designer or the one you're outsourcing is not taking adequate measures to ensure that the work they're producing for you is a really solid and unique brand. In that case, you will ultimately be on the hook because the business owner is the one who's out there using that. Again, it comes down to the contract. Do you have a sufficiently strong contract in how you're interfacing in your lean model?

### 4. Patent and Employee Laws

A patent is a type of intellectual property that grants its owner the legal right to prevent others from creating, using, or selling an invention for a set length of time in exchange for the invention's enabling disclosure being published. The employment contract dictates who owns the patent rights in the Convention rights. When using independent contractors, that creates a degree of separation in which you all not have as many enforceable rights as you would against employees. What is essential is making sure your contracts state clear and effective terms.