WHAT IS AN INTELLECTUAL PROPERTY RIGHT?

CONCEPT/INVENTION

IDEA

PHYSICAL EMBODIMENT
WHAT TYPE OF IP RIGHTS ARE ENCOUNTERED IN THE OIL PATCH?

Trade Secrets
& Know-How

Patents
WHAT TYPE OF IP RIGHTS ARE ENCOUNTERED IN THE OIL PATCH?

Trademarks

Copyrights
UNIQUE CHALLENGES IN THE OIL PATCH (MOBILE EMPLOYEES)
RECOMMENDATIONS AND TIPS: MOBILE EMPLOYEES

1. Require all employees creating IP to sign secrecy and assignment of IP agreements.

2. Implement reasonable measures to protect trade secrets.

3. Ensure employees do not bring any documents or computer files from prior employment.

4. Adopt employee exit procedures and remind employees of duties.

5. Consider state non-compete laws in primary jurisdictions in drafting agreements.
UNIQUE CHALLENGES OF THE OIL PATCH (DRAWINGS, PAPERS, DATA)
UNIQUE CHALLENGES OF THE OIL PATCH
(DRAWINGS, PAPERS, DATA)
RECOMMENDATIONS AND TIPS: DRAWINGS, PAPERS, DATA (DOWNHOLE)

1. Foster a culture of caution when dealing with key documents and data.

2. Address ownership of data and reports in applicable agreements involving customers and vendors.

3. Adopt procedures and policies for key competitive intelligence activities.

4. Adopt/enforce document and data management policies.

UNIQUE CHALLENGES IN THE OIL PATCH (JOINT DEVELOPMENT)
RECOMMENDATIONS AND TIPS: JOINT DEVELOPMENT

1. Sign NDA’s before commencing any joint development activities.

2. Protect key product areas or fields of use in joint development agreements.

3. Reserve all pre-existing IP rights (and negate broad licenses).

4. Strive to limit joint ownership of any jointly developed IP in core field of use.

5. Address confidentiality and prosecution of IP rights arising out of joint development.
UNIQUE CHALLENGES OF THE OIL PATCH
(REMANUFACTURED PRODUCTS)
RECOMMENDATIONS AND TIPS: REMANUFACTURED PRODUCTS

1. Consider including notifications of impact of unauthorized remanufacturing/repair operations when selling approved products.

2. Confirm internal remanufacturing/repair activities meet any applicable approval standards.


4. Monitor use of trademarks and commercial statements by remanufacturing entities.

5. Consider cultivation of relationships with legitimate remanufacturing entities.
UNIQUE CHALLENGES OF THE OIL PATCH
(OFFSHORE/OUT-OF-COUNTRY ACTIVITIES)
RECOMMENDATIONS AND TIPS: OFFSHORE/OUT-OF-COUNTRY ACTIVITIES

1. Consider IP laws when locating manufacturing facilities.

2. Consider law of “offer for sale” when structuring sales activities.

3. Use cost-sharing agreements to allow foreign affiliates to share in research and development costs to optimize tax obligations.

4. Review MSA’s with foreign governmental entities for joint ownership or licensing issues.

5. Review foreign laws for restrictions on IP license agreements, recording requirements, and compulsory licensing.
UNIQUE CHALLENGES OF THE OIL PATCH
IP MANAGEMENT/RISK PROTECTION
ACACIA SUBSIDIARY PARTNERD WITH OWNER OF PATENT PORTFOLIO FOR OIL AND GAS PRODUCTION TECHNOLOGY (Feb. 1, 2013)

Acacia’s CEO Paul Ryan, commented, “We see the energy industry as a significant new market for the continued expansion of our patent licensing business in 2013. Acacia plans to continue this expansion and partner with patent owners who have developed new technological advanced in all areas of the energy industry.”
RECOMMENDATIONS AND TIPS: IP MANAGEMENT/RISK PROTECTION

1. Consider regular training to increase overall IP awareness.

2. Make IP development and protection a management priority.

3. Inventory IP assets and track association between assets and revenue.

4. Be pro-active when issues are identified.

5. Develop a battle plan before conflict occurs.
UNIQUE CHALLENGES OF THE OIL PATCH
(INDEMNITY AND DEFENSE)
RECOMMENDATIONS AND TIPS:
INDEMNITY AND DEFENSE

1. Draft a specific intellectual property defense and indemnity provision.

2. Limit indemnity only to the product and its contemplated use.

3. Consider choice of law and anti-indemnity statutes.

4. Require prompt written notice and cooperation and control of defense and settlement.

5. Include a limitation of liability or cap on the defense or indemnity.
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