

MEMORANDUM

To: Vice Chancellors, Deans, Directors and Department Heads

From: Christine A. Jackson

Date: June 9, 2003

Subject: Contracts for External Consultants and Students Developing Software, Multimedia Projects and Other Copyrightable Works

In the past, UNL has used external consultants and/or students to develop software, multimedia projects and other copyrightable works. Recently, there have been several instances where external consultants or students have been hired without a written, signed agreement to govern the terms of the work that was produced. This is a letter to you to note that it is strongly advisable that work of this type be done under the terms of a proper agreement.

The failure of the University to obtain a written agreement dealing with issues such as ownership and use of works has been detrimental in several cases. For example, a University department recently hired a computer software developer to design some software for an educational tool the department was working on. The work was done without a written, signed agreement. When the University sought to use the software, the developer threatened to sue the University. Since no written agreement was in place, all title remained with the developer and the developer had never granted the University permission to use the work.

Some of this confusion is likely due to a misunderstanding of copyright law and the ownership of copyrightable works. Ownership of copyrightable works is usually retained by the individual or individuals who create the work unless they are contractually bound to transfer rights of use or ownership to another individual or entity. Works created by University employees in the course and performance of their job duties are addressed in Regents Policy 4.4.1, *Ownership of Intellectual Property*. Works created by individuals who are not employees of the University do not fall within this policy. In the absence of a written agreement that provides for the transfer of rights or ownership to the University, all rights to works created by individuals who are not University employees will probably be retained by those individuals, and the University will probably not have right to use these works in any manner even though the university may have paid for their creation.

Therefore, it is advisable that any proposed arrangement for the use of individuals external to the University to create materials for the University should proceed with a proper written and signed agreement that addresses the issue of rights and ownership. To assist in resolving this problem, I have attached a "boilerplate" contract that could be

adapted to address the particular needs of your college/department. Turan Odabasi, Special Associate General Counsel for Intellectual Property (472-0259), is available to provide all necessary services, including providing standard agreements for your use, to help facilitate and expedite the process of securing written, signed agreements in these situations.

Thank you.

UNIVERSITY OF NEBRASKA WORK-MADE-FOR-HIRE AGREEMENT

This Agreement is entered into as of the _____ day of _____, 200_, between The Board of Regents of the University of Nebraska, having an office at Varner Hall, 3835 Holdrege Street, Lincoln, Nebraska 68583, a corporation duly organized and existing under and by virtue of the laws of the State of Nebraska (hereinafter referred to as "University") and [Name] of [Address], (hereinafter referred to as "Author").

1. SERVICES

University hereby engages Author, and Author agrees to be engaged, subject to the terms and conditions of this Agreement, to write [description of the work] (hereinafter referred to as the "Work").

2. DELIVERY

Author shall deliver to University on or before [Date] a complete and final version of the Work in content and form satisfactory to University. Author shall make any additions to, deletions from, alterations of or revisions in the Work which University in its sole judgment determines are necessary.

3. COMPENSATION

In full consideration for all services rendered by Author and for all rights granted or relinquished by Author under this Agreement, University shall pay Author the sum of \$ _____, as follows:

\$ _____ upon execution of this Agreement, and

\$ _____ upon written notification from University to Author that University has accepted the Work as satisfactory.

4. OWNERSHIP

- 4.1 The Work shall be a work made for hire and the property of University.
- 4.2 University shall have the right to secure copyright protection for the Work.
- 4.3 In the event that the Work is not copyrightable subject matter, or for any reason cannot legally be a work-made-for-hire then, and in such event, Author hereby assigns all right, title and interest to said Work to University and agrees to execute all documents required to evidence such assignment.
- 4.4 Without limiting the foregoing, Author gives and grants to University the sole and exclusive right throughout the world in all languages and in perpetuity to use all work prepared by Author pursuant to this Agreement.

- 4.5 University's rights shall be exclusive and Author will not use, license or permit the use of the Work for any other purpose.
- 4.6 Without limiting the foregoing, Author hereby waives any and all claims that Author may now or hereafter have in any jurisdiction to so-called "moral rights" or rights of "droit moral" with respect to the results and proceeds of Author's Work and services hereunder.

5. NATURE OF EMPLOYMENT

Author is an independent contractor and shall be solely responsible for any unemployment or disability insurance payments, or any social security, income tax or other withholdings, deductions or payments that may be required by federal, state or local law with respect to any sums paid Author hereunder. Author shall not be entitled to any University employee benefits of any nature whatsoever.

6. AGENCY

Author is not University's agent or representative and has no authority to bind or commit University to any agreements or other obligations.

7. TERMINATION

- 7.1 University may terminate this Agreement if Author fails to deliver the Work by the time specified in Section 2 hereof (except where such delay is caused by circumstances beyond Author's control and Author has promptly notified University of such delaying circumstances) or if University determines, in its judgment, that the Work is not satisfactory. If University terminates this Agreement because of Author's failure to deliver the Work on time, Author shall immediately repay to University all sums theretofore paid Author under this Agreement. If University terminates this Agreement because it determines that the Work is unsatisfactory, Author shall retain all sums theretofore paid Author as full satisfaction and discharge of all of University's obligations and liabilities under this Agreement.
- 7.2 Notwithstanding termination of this Agreement, University shall have the right, without further obligation to Author, to use the Work in any manner it deems appropriate, including, without limitation, editing, altering and revising the Work, except that if University subsequently uses the Work in substantially the form submitted by Author, University shall pay Author the amount which would otherwise have been due Author on acceptance of the Work under Section 3 hereof.

8. REPRESENTATIONS AND WARRANTIES

- 8.1 Author represents that no third party has any rights in, to, or arising out of, the Work supplied.
- 8.2 Author agrees to hold University and its respective assigns and licensees, harmless from any loss, damage or expense, including court costs and reasonable attorneys' fees, that University and its assigns and licensees may suffer as a result of a breach or alleged breach of the foregoing warranties or as a result of claims or actions of any kind or nature resulting from the use in any way of the Work.

9. AUTHOR'S REMEDY

Author's remedy, if any, for any breach of this Agreement shall be solely in damages and Author shall look solely to University for recovery of such damages. Author waives and relinquishes any right Author might otherwise have (a) to obtain injunctive or equitable relief for any reason, and (b) to proceed against any dispute arising under this Agreement.

10. ENTIRE AGREEMENT

This Agreement sets forth the entire agreement between University and Author and supersedes any prior Agreements or understandings, whether oral or written.

11. GOVERNING LAW

This Agreement shall be governed by and construed under the laws of the State of Nebraska.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement through duly authorized representatives as of the date set forth.

AUTHOR

Signature: _____

Date: _____

BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA

Signature: _____

Name: Christine A. Jackson

Title: Vice Chancellor for Business & Finance, University of Nebraska-Lincoln

Date: _____