



OSP Memorandum 14-02 *(supersedes 07-01)*

From: Gloria W. Greene, MA, CRA, Director, Office of Sponsored Programs

Subject: **Miscellaneous Agreements Related to Sponsored Research: Non-Disclosure (Proprietary Information) Agreements; Teaming Agreements and Intellectual Property Agreements - Update**

Date: December 27, 2013

Purpose: There are several miscellaneous agreements related to sponsored research that are required on an "as needed" basis. These include non-disclosure agreements (AKA: proprietary information agreement or confidential Agreement), teaming agreements, and intellectual property agreements that cover patents, royalties or copyrights. All of these agreements must be processed through OSP and signed by a University official who has signature authority from the Board of Trustees. The point-of-contact for all agreements is the Director, Office of Sponsored Programs. An agreement signed by the Principal Investigator is not valid.

Non-disclosure (Proprietary Information (PIA)) Agreements

A non-disclosure agreement or confidentiality agreement is used when you have an unpatented idea that you need to show to a third party and you want that party to not reveal any information about your idea. The inventor is the one who usually provides the non-disclosure agreement (NDA) prior to meeting. All proprietary information belonging to either party/parties must be marked as such or it is not considered proprietary for the project.

- Having a meeting or discussion about your invention, without a non-disclosure agreement, would constitute a public disclosure. You then would only have one year to file for a patent or forever lose that right.
- Non-disclosure agreements are not a substitute for a patent application. Do not rely on them to protect you.
- Non-disclosure agreements are contracts that are controlled by state law; some states find non-disclosure agreements invalid.
- All agreements **MUST BE** reviewed by OSP and legal. The UAH technical contact will assist with the negotiation of all terms and conditions included in the agreement.
- After the agreement is fully executed (both parties have signed), each individual authorized to receive or give information under the agreement will be required to sign an individual Proprietary Information Protection Agreement in which they agree to abide by the terms and conditions of the agreement.

Teaming Agreements

Generally, a teaming agreement between potential subcontracting partners will set forth certain terms, including, but not limited to, the purpose of the agreement, the relationship between the parties, the rights of the parties, and other general provisions. A teaming agreement provides that the parties will execute a more detailed subcontract upon the successful outcome of the proposal. State law, rather than federal law, governs disputes related to the enforceability of teaming agreements because they are commercial, non-government contracts. Teaming agreements often contain a choice-of-law provision, setting forth the state law that will govern any dispute arising under the teaming agreement.¹ Accordingly, they are not enforceable in government contracts forums, but rather in the courts of the states in which they are formed or in which the parties agree to resolve disputes.

- These agreements are developed when two or more parties (usually the University and a company/companies) decide to join together to develop a proposal or to work together on a project, either funded or unfunded.
- Companies usually request an "exclusive" agreement but, as a public entity, the University cannot accept exclusive agreements. The University will only accept "non-exclusive" agreements.
- The parties involved work out the details together, draft a copy of the agreement, and send it to OSP for review/signature.²
- If a Proprietary Information/Non-disclosure Agreement has been signed, it usually becomes part of the Teaming Agreement.

Intellectual Property Agreements

An intellectual property agreement is a document executed between or among collaborating institutions that sets forth the rights and responsibilities of each institution pertaining to the intellectual property that may be created during the term of the collaboration.

- Intellectual Property Agreements include patents, copyrights, data rights, license agreements, and other intellectual property materials.
- These agreements must be processed through the Office of Technology and Commercialization (OTC), the administrative office for intellectual property agreements.
- All intellectual property disclosures and agreements must be reviewed by the OTC. Disclosure forms, instructions and other intellectual property information can be obtained from the Director, OTC at (256) 824-6620.

Please direct all questions regarding this memo to Gloria Greene, Director, Office of Sponsored Programs at greeneg@uah.edu or X2657.

Notes:

1. UAH is a state funded institution of higher education; therefore we are prohibited by state law from entering into any agreement which requires us to be governed by another state law. The Governing Law will always be the State of Alabama.
2. All Teaming agreements are reviewed by OSP, Legal and Office of Technology and Commercialization (OTC).