



SBIR Data Rights

November 13, 2014

2014 Fall National SBIR/STTR Conference

K. Lance Anderson
Of Counsel
andersonl@gtlaw.com

K. Lance Anderson

EDUCATION

J.D., Texas Tech University School of Law, 2000
M.S., Crop Science, Texas Tech University, 2000
B.S., Entomology, Texas Tech University, 1997

PROFESSIONAL

Of Counsel; Greenberg Traurig, LLP - Austin, Texas (2012-present)

Vice President, Intellectual Property and Associate General Counsel, Emergent Technologies Inc. (2006-2012).

Managing Director, Office of Technology Transfer and Intellectual Property, Texas Tech University; Texas Tech University Health Sciences Center (2003-2006); Licensing Specialist (2000-2003).

Texas Bar: 2000; USPTO : 2006

Disclaimer

The information provided in this presentation is for discussion and exemplary purposes only and does not constitute legal advice or create any attorney-client relationship.

Data Rights – Noncommercial Computer Software and Technical Data – NON-SBIR

Rights Category	Category Criteria	Permitted Uses Internal to Government	Permitted Uses outside Government
Unlimited Rights	Development exclusively at Government expense; also, Form, Fit & Function; Installation, Operation, Maintenance & Training.	Unlimited; no restrictions	
Government Purpose Rights	Development with mixed funding	Unlimited; no restrictions	Only for “Gov’t purpose”; no commercial use
Limited Rights (applies to TD only)	Development exclusively at private expense	Unlimited; except may not be used for manufacture	Emergency repair/overhaul; evaluation by foreign gov’t
Restricted Rights (applies to CS only)	Development exclusively at private expense	Only one computer at a time; minimum backup copies; modification	Emergency repair/overhaul; certain services and maintenance
Prior Government Rights	Whenever Government has previously acquired rights in the deliverable TD/CS	Same as under the previous contract	
Specifically Negotiated License Rights	Mutual agreement of the parties – nonstandard situations	As negotiated by the parties; however, must not be less than limited rights in tech data, and must not be less than restricted rights in computer software	

SBIR Data Rights – the Law(s)

- > Section 638(j)(2)(A) of the Small Business Innovation Development Act mandates that any Small Business Innovative Research development be retained by the small business for not less than 4 years – the DoD grants 5 years after completion of the project for each phase.
- > FAR 52.227-20 (non-military)
 - All data generated during the performance of an SBIR award.
- > DFARS 252.227-1013 (FEB 2014) (military)
- > January 8, 2014 amended SBA SBIR Policy Directive

Data

- > **“SBIR Technical Data”** (Policy Directive)
 - All data generated during the performance of an SBIR award.

- > **“SBIR Technical Data Rights”** (Policy Directive)
 - The rights an SBIR awardee obtains in data generated during the performance of any SBIR Phase I, Phase II, or Phase III award that an awardee delivers to the Government during or upon completion of a Federally-funded project, and to which the Government receives a license.

Intellectual Property in Data (or vice versa)

> “Intellectual Property” (Policy Directive)

- The separate and distinct types of intangible property that are referred to collectively as “intellectual property,” including but not limited to: (1) patents; (2) trademarks; (3) copyrights; (4) trade secrets; (5) SBIR technical data (as defined in this section); (6) ideas; (7) designs; (8) know-how; (9) business; (10) technical and research methods; (11) other types of intangible business assets; and (12) all types of intangible assets either proposed or generated by an SBC as a result of its participation in the SBIR Program.

SBIR Data Rights – What does Government Get?

- > The awarding agency receives royalty-free right/license to technical data generated under SBIR awards for Government use, but may not disclose SBIR technical data outside the Government during the protection period.
 - DOD may disclose technical data to support subs – subject to NDA and non-bidding restrictions
- > SBC (SBIR awardee firm) retains ownership rights to data generated by the SBC in the performance of an SBIR award.

SBIR Data Rights – Agency Restrictions

> Restrictions:

- Agencies must protect all proprietary information, and must refrain from disclosing all information generated under an SBIR funding agreement, except for limited purposes;
- Protections are *“for not less than 4 years from delivery of the last deliverable under that agreement”*;
 - DOD - 5 years under DFARS clause 252.227-7018
 - Can have different terms – by agreement between the awardee and the agency.
- Non-negotiable – Agencies cannot condition such rights

SBIR Data Rights – Other Features

- > Potential for extended term(s) of protection based on additional SBIR contracts – roll-over
 - Consider Phase III contracts (multiple)
- > Carve out for non-SBIR data (subject to marking requ.)
- > SBIR Data may be subject to step up in protection if inseparable with other non-SBIR data that is restricted (i.e. developed at private expense).

Data Rights - Marking

- > Restrictive Markings are required for all noncommercial technical data & computer software being delivered with less than “unlimited” rights.
- > See DFARS 252.227-7013 for specific procedures for such restrictive markings.
- > Types of legends that are authorized (including SBIR rights situations):
 - A notice of copyright under 17 USC 401 or 402
 - Government purpose rights legend
 - Limited rights legend
 - Restricted rights legend
 - Special license rights legend
 - Pre-existing markings authorized under previous Government contract
 - SBIR rights legend

Legend – Limited Rights

LIMITED RIGHTS

Contract No. _____
Contractor Name _____
Contractor Address _____

The Government's rights to use, modify, reproduce, release, perform, display, or disclose these technical data are restricted by paragraph (b)(2) of the Rights in Noncommercial Technical Data and Computer Software—Small Business Innovation Research (SBIR) Program clause contained in the above identified contract. Any reproduction of technical data or portions thereof marked with this legend must also reproduce the markings. Any person, other than the Government, who has been provided access to such data must promptly notify the above named Contractor.

Legend – Restricted Rights

RESTRICTED RIGHTS

Contract No. _____

Contractor Name _____

Contractor Address _____

The Government's rights to use, modify, reproduce, release, perform, display, or disclose this software are restricted by paragraph (b)(3) of the Rights in Noncommercial Technical Data and Computer Software-- Small Business Innovation Research (SBIR) Program clause contained in the above identified contract. Any reproduction of computer software or portions thereof marked with this legend must also reproduce the markings. Any person, other than the Government, who has been provided access to such software must promptly notify the above named Contractor.

Legend – SBIR Data Rights

SBIR DATA RIGHTS

Contract No. _____

Contractor Name _____

Contractor Address _____

Expiration of SBIR Data Rights Period _____

The Government's rights to use, modify, reproduce, release, perform, display, or disclose this software are restricted by paragraph (b)(3) of the Rights in Noncommercial Technical Data and Computer Software-- Small Business Innovation Research (SBIR) Program clause contained in the above identified contract. Any reproduction of computer software or portions thereof marked with this legend must also reproduce the markings. Any person, other than the Government, who has been provided access to such software must promptly notify the above named Contractor.

Non-SBIR Data Rights

- > Requires active approach to preserve non-SBIR data (developed at private expense)
 - Do not submit proprietary data;
 - If it must be delivered, must designate it as non-SBIR Data;
 - Legend/marketing of non-SBIR data

Impact of Marking SBIR Data (and non-SBIR data)

- > If disclosure/use occurs to unmarked data, no recourse available (this may be 'cured' however prior to such disclosure)
- > Indicate the appropriate information regarding the 'rollover' status of the SBIR Data, if applicable
- > Effectively managing the intermingling of SBIR Data and non-SBIR data is critical. Be strategic in thinking.

Questions??

Thank you

