Cover Your Assets

by Rob Suarez

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Take a look at your <u>employment agreements</u>, covenants not to compete, or <u>non-disclosure agreements</u>. Especially if you work in the tech sector, you can be sure that one, if not all, of these documents (which are typically signed as a condition of employment) include some sort of <u>assignment</u> of ownership of the <u>invention</u>. These assignments are usually of the form that say that anything and everything that the employee invents while employed at the company belongs to the company. Pretty straight forward, right? Maybe...

What do you do when you invent something and your employer thinks it's theirs? What do you do when your <u>employee</u> invents something and *they* think it's **theirs**?

Let's say that the employee comes up with an invention during work hours, using company resources, in a field that the company does <u>business</u> in? I think that few would argue that the company has some rights to the invention.

Well, what about something that the employee invents at home on his personal time? What if it is related to the company's business? What if it is not? Now, the topic gets a little murky. (This is where I'd say, "Please consult an attorney." - but let's discuss anyway!)

There is a case, <u>DDB Technologies</u>, <u>L.L.C. v. MLB Advanced Media</u>, <u>L.P.</u>, that was decided on February 13, 2008 in the U. S. <u>Court of Appeals for the Federal Circuit</u>. From the opinion:

The ultimate question here is whether the interest of Dr. David Barstow ("Barstow") in these patents was previously assigned to his former employer, Schlumberger Technology Corporation ("Schlumberger"). Barstow, a computer scientist, worked for Schlumberger from 1980 until 1994. At the start of his employment, Barstow entered into an employmentagreement[...]

The bottom line of the ruling was that the CAFC didn't actually decide who owns the <u>patent</u>... but it didn't just let the company walk away with it either. Instead they remanded the case back down to the district court for further discovery.

Because we hold that further jurisdictional discovery was warranted, we do not reach the issue of whether the <u>district court</u> correctly held on the previous record that the patents in suit fell within the scope of Barstow's employment agreement with Schlumberger.

Whichever way this turns out, one thing is certain: No matter what side you are on... cover your assets!

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