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When you've invested substantial resources in developing the knowledge and skills of those you employ or engage, you should take action to insure your ownership of the intellectual property produced and discovered by them. Businesses often assume that the work product developed by their employees and contractors are wholly owned by the businesses that employ or engage them. Without including the proper language in an employment or independent contractor agreement and/or an employee policy manual, however, that may not be the case.

### **Work-for-Hire Doctrine**

Under the law, the general rule is that the copyright in and to the work product of an individual employee or independent contractor is owned by that individual unless an exception applies. The "Work for Hire" doctrine is an exception to such rule. Under the "Work for Hire" doctrine, the copyright in and to a work that is created by an employee within the scope of his or her regular duties is owned by the employer. In addition, the "Work for Hire" doctrine provides that the copyright in and to certain types of works which are created pursuant to express written agreements between the authors and the parties ordering such works, are owned by the parties who have ordered such works. Under such doctrine, the employer or the hiring party, as applicable, is deemed to be the author of such works.

Accordingly, an employer should make clear in its employee manual that all work being performed by an employee on behalf of the employer will be considered within the scope of the employee's regular duties and that all work product produced during the performance of such duties will be owned by the employer. Also, in its communications with employees about a particular project in which a work may be created (especially one that may be performed in whole or in part outside of normal business hours and/or from remote locations), the employer should make clear that the project is within the scope of the employee's regular duties and that all intellectual property produced as part of the project will be owned by the employer.

### **Assignment Clause**

To address cases in which the Work for Hire doctrine may not apply, a safety net may be obtained through the use of an assignment of the intellectual property inherent in a work created by an employee or independent contractor. Even if an employer is fairly certain that the projects being worked on by its employees are within the scope of their regular duties, and that any work product resulting from such efforts would be considered to be within such scope as well, an employer should obtain an assignment of intellectual property rights from each employee in case it is ultimately determined that such work was outside of the scope of their regular duties. Such an assignment should be set forth in a writing, signed by the employee, and should state that in the event

that any work produced by the employee during the course of his or her employment is deemed not to have been created within the scope of such employee's regular employment duties, the employee nonetheless assigns all of such employee's intellectual property rights therein to the employer. In the case of an assignment, the employee would continue to be considered to be the author of the work, but the employer would be the owner of the copyright contained therein.

In an independent contractor relationship, a business should, whenever possible, obtain an assignment of any and all intellectual property created by its contractors in the course of their performance of the work for which the business has contracted. The Work for Hire doctrine only confers the copyright in and to particular types of works created by an independent contractor, and only if there is an express written agreement between the contractor and the hiring party for the ordering of such work. Such works are limited to (i) contributions to collective works; (ii) parts of motion pictures or other audiovisual works; (iii) translations; (iv) supplemental works, (v) compilations, (vi) instructional texts, (vii) tests; (viii) test answers; and (ix) atlases.

## **Conclusion**

Including the right language in a written agreement signed by an employee or an independent contractor, and in an employee policy manual, is critical in obtaining rights to the copyright and other intellectual property in and to the work product created by those you employ or engage to perform services for your business. If done correctly, such an agreement could mean the difference between your ownership of the rights to a crucial development and your employee's or contractor's ownership of those same rights.

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