

Contracts for the sale of services

Service contracts can range from a handshake to pages of legal and technical specifications. Whatever the form, both parties should have the same understanding of:

- the service to be provided;
- the personnel who will provide the service;
- the facilities to be made available to the client;
- the date on which the provision of service is to begin and end;
- the payments to be made;
- the benchmarks or dates when payments are to be made;
- the circumstances under which the contract may be terminated, and any implications in terms of completion of the work, handing over the work completed to date, partial payments, penalties, and so on;
- the procedure in case the client is unable to provide the agreed personnel, information or facilities;
- conditions for holdbacks;
- conditions for the return of bid or performance bonds or guarantee; and
- procedures for resolving disputes.

Protecting intellectual property rights

Intellectual property (IP) is a collective term used to refer to laws that protect new, inventions, designs, writings, films, and so on, which are protected by copyrights, patents, industrial designs, trade-marks or integrated circuit topographies.

Always protect your creations. Even if you already have secured protection for your intellectual property in Canada, you should consider seeking similar protection in your target market or where you will find manufacturing competition. Intellectual property laws, however, can be complex, so you should obtain the advice of professional legal counsels and/or IP agents.

If selling or using your IP outside of Canada, learn about the laws in the countries of interest. To protect your IP rights in Canada, you should establish ownership with the Canadian Intellectual Property Office (CIPO) at www.cipo.gc.ca. Links to foreign IP Offices can also be found on the site.

The cost of securing and maintaining foreign patents is high. However, because Canada is a member of the Patent Cooperation Treaty (PCT), you can use just one patent application, filed in Canada, to file applications in over 100 member countries.

Here's how you can protect key elements of your intellectual property:

- **Patents** – for inventions (and new or improved technology), protection in Canada extends up to 20 years from the date the application is first filed. You can receive a patent for a product, composition, machine and/or process that is new, useful and inventive.
- **Copyrights** – literary, dramatic, music, artistic, performer's performance, communication signals, and sound recordings are protected for, in most cases, the life of the author plus 50 years. Copyright is automatic and acquired upon creation, so registration is not mandatory. However, registration of copyright provides presumption of rights if there's a court dispute.

TIP

If you export intellectual property, be aware of those countries that don't uphold intellectual property laws. Taking legal action against violators in such countries can be very difficult. For details, consult CIPO at www.cipo.gc.ca, or a professional specializing in IP issues.