



## **How to Protect Your Intellectual Property and Trade Secrets With Agreements (Non-Disclosure and Work for Hire Agreements)**

The employment landscape has changed over the last few years and many small and mid-size companies today operate with outside help – contractors or freelancers who perform important tasks but who are not full-time employees on your payroll, or even third-party companies who consult on a new product or service.

While companies that contract with these outside resources can gain access to top-tier talent without having to increase headcount, there can be pitfalls to this approach in terms of properly protecting company secrets and intellectual property assets. Here's what you need to know before you bring on a new team member:

**Be sure you own what you want to protect.** To begin with, review any non-disclosure agreements or work for hire agreements you may have signed with former employers to ensure any ideas brought to your own company cannot be claimed by someone else in your employment past.

**Confirm new contractors are clear to be hired.** As part of your hiring process, ask all new contractors (and employees as well) if they have any NDAs or Work for Hire or Non-Compete Agreements in place that could be violated if they came to work with you. If so, you'll need to have those reviewed by your own lawyer before you bring them on to work with you.

**Get agreements signed before work begins.** While it is so very tempting to just "get to work" as quickly as possible, and then worry about getting agreements in place later, doing so could mean you don't own the work product a contractor creates for you. Or, you could be putting valuable trade secrets at risk, or even training a future competitor. So, always get agreements signed before any work begins.

**Be specific.** Your Agreements - whether employment or independent contractor agreements -- should include both non-disclosure provisions and work for hire/trade secret protections, and should include a specific definition of the confidential information, the obligations of those signing it, any exclusions from confidential information, a specific time period that the NDA covers, and other provisions like which state's laws will govern the agreement and an attorney's fee provision if the agreement is breached.

**Get professional help.** While there are a number of forms online that include NDA and work for hire language, these boilerplate agreements will not necessarily provide the proper protection for your specific needs. Consult with us to prepare an agreement that is specific to



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you and your business, and can be used for all employees, contractors, and other mutual relationships.

Don't go it alone. We're here to support you to bring on team members in the best way possible, taking into consideration all of the legal, insurance, financial and tax factors that aren't necessary for you to track.

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