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**PROTECT YOUR FLEDGLING COMPUTER BUSINESS;
5 POINTERS OFFERED BY INTELLECTUAL PROPERTY ATTORNEY**

Copyright Infringement in Computer Arena Proliferating

NEW YORK – The boom in the software technology sector has given rise to "strings" of entrepreneurs seeking to be the next Bill Gates. But before marketing new software, there are some pitfalls to avoid including getting caught without copyright protection, cautions Dwight Yellen, a partner at the law firm of Ballon Stoll Bader & Nadler, P.C., and a specialist in intellectual property and computer technology law.

Mr. Yellen notes, "In the past 15 years, there has been a gradual shift from products – hardware – in the computer industry, to intellectual property – software. Anyone planning to start a computer business or develop new software must follow the proper procedure for cataloguing new ideas and protecting them."

Mr. Yellen cites five pointers to protect your computer process and software:

1. Under U.S. law a computer program *can be* copyrighted. So can graphics and text material posted on the Internet. It is paramount to know what can be copyrighted.

(Note: The *process* that produces a product can be copyrighted, not the idea.)

2 - BALLON STOLL BADER & NADLER SOFTWARE COPYRIGHT POINTERS

Free information on copyrighting is available by contacting the Registrar of Copyrights in Washington DC. Intellectual property covers a wide range of material; find out if your computer software venture falls within these guidelines.

2. Don't get caught without an agreement between the company and its employees and outside contractors, cautions Mr. Yellen. This written agreement need not be complicated and may be written by the person who started the computer firm or created the software. The company should adopt security measures, which safeguards against an employee walking off with your copyrighted material – there is recourse.

(Often this can be proved by "fingerprints" in a particular program which give away the identity of a programmer.)

3. Be certain to have *all* employees and independent contractors sign "work for hire" agreements, where it is understood that the company owns the rights to computer software.

4. Seek legal counsel from a computer literate specialist in copyright law. It is very important that your attorney understand your business and the way in which it relates to the greater market, Mr. Yellen notes.

5. Structuring your business as a corporation or limited liability company may give you added financial protection, but consult a financial and legal advisor from the start.

Mr. Yellen advises, "If proper cautionary procedures are not adopted, a former employee of a computer software company may be accused of walking off with valuable information. Potential start-up software businesses also face double trouble – being stolen from and potential lawsuits for copyright infringement – which are proliferating in the computer software arena."

Ballon Stoll Bader & Nadler, P.C., with origins dating back to 1931, is a mid-town New York law firm practicing in the areas of corporate, real estate, litigation, bankruptcy, trusts and estates, arbitration, entertainment and high-technology law.

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